



REGULAR BOARD OF DIRECTORS MEETING

501 Taft Highway
Bakersfield, California

TUESDAY, August 17, 2021

AGENDA

CALL TO ORDER AND ANNOUNCEMENT OF QUORUM

12:00PM

CLOSED SESSION:

- A. Conference with Legal Counsel – Existing Litigation – Closed Session Pursuant to Gov. Code § 54956.9(d)(1):
 - 1. SWRCB Kern River
 - 2. Rosedale Rio Bravo Water Storage District, et al. v. Kern County Water Agency, et al.
- B. Conference with Legal Counsel – Initiation of Litigation – Closed Session Pursuant to Gov. Code § 54956.9(d)(4):
 - 1. One Matter

REGULAR SESSION:

1:00PM

INTRODUCTION OF GUESTS AND PUBLIC

- I. **PUBLIC COMMENT** (Members of the public may address the Board of Directors on any matter not on the agenda, but absent extraordinary circumstances, the Board may not act on such matters. Members of the public may address items of interest that are listed on the agenda prior to the Board's decision on such items.)
- II. **CONSENT CALENDAR** (The Board will consider various non-controversial routine items and issues relating to matters which are of interest to the District. Any Board Member may request that any or all items be considered and acted upon independently of the others.)
 - A. Approval of Minutes from the Regular Board Meeting of August 3, 2021.
 - B. Approval of July/August District Construction and Water Banking Disbursements.
 - C. Approval of July/August District Disbursements.
 - D. Adoption of Resolution 2021-05 – Adopting the Updated Multi-Jurisdiction Hazard Mitigation Plan.
- III. **BUSINESS AND FINANCE** (The Board will consider various items and issues relating to financial matters which are of interest to the District.)
 - A. Business & Finance Committee Report – August 16, 2021.
 - i. Approval of July 2021 Financial Reports.
 - B. Review and Acceptance of 2020 Audited Financial Report.

- IV. OPERATIONS AND PROJECTS** (The Board will consider various items and issues relating to matters which have been, or will be, considered by committees of the Board and which are of interest to the District.)
- A. Operations and Projects Committee Report – August 3, 2021.
 - i. District Facility and Maintenance Update.
 - ii. District Encroachment Permit Report.
 - iii. Sunset Groundwater Recharge Facility Project – Update.
 - iv. Old River Basins – Update.
 - B. District Meter Specification Discussion.
- V. KERN RIVER REPORT** (The Board will consider various items and issues relating to the Kern River of interest to the District.)
- A. District Watermaster Report.
 - i. State Water Project 5% allocation.
 - ii. Kern River Runoff Forecast 17% A-J.
 - B. Kern River Watermaster Report.
 - i. Isabella Dam Safety Remediation Report.
 - C. District Groundwater Manager Report.
- VI. MANAGER'S REPORT** (The General Manager will discuss, and the Board will consider various items and issues relating to the ongoing and future operations of the District which are of interest to the Board)
- A. Verbal.
 - B. External Agency Report.
 - C. Water Banking Projects Report.
- VII. ATTORNEY'S REPORT** (Legal Counsel will discuss, and the Board will consider items and issues of legal interest to the District.)
- A. 2021 District Election Update.
 - B. Appointment of Division 5 Director.
- VIII. BOARD MEMBER COMMENTS** (This item provides Board Members with an opportunity to make announcements or provide general comments.)
- IX. ADJOURN**

Requests for disability related modifications or accommodations, including auxiliary aids or services may be made by telephoning or contacting Madelyne Rodriguez at the District Office (661-834-4656). Please attempt to make such requests known at least 24 hours before the scheduled meeting. Pursuant to Government Code section 54957.5, any materials relating to an open session item on this agenda, distributed to the Board of Directors after the distribution of the agenda packet, will be made available for public inspection at the time of distribution at the District, 501 Taft Highway, Bakersfield, CA.

Tab II





To: Kern Delta Water District Board of Directors

From: Steven Teglia – General Manager

Date: August 17, 2021

Re: Agenda Item II – Consent Calendar

RECOMMENDATION:

Approve items A through D listed under Agenda Item II – Consent Calendar.

DISCUSSION:

Consent Calendar items are non-controversial routine matters. Board Members may request that any or all items listed under the Consent Calendar be moved to the regular agenda to be discussed and voted on separately. Otherwise, all items will be approved through one motion and vote.

II A. Approval of Minutes from the Regular Board Meeting of August 3, 2021 (attached).

II B. Approval of July/August District Construction and Water Banking Disbursements totaling \$410,082.45* (attached) partially recommended for approval by the Operations and Projects Committee (*see August 3, 2021 Operations and Projects Committee Minutes for additional detail*).

II C. Approval of July/August District Disbursements (attached) recommended for approval by the Business and Finance Committee.

II D. Approve Resolution 2021-05 adopting the updated Kern Multi-Jurisdictional Hazard Mitigation Plan (MJHMP) as the official hazard mitigation plan.

**The total includes disbursements approved by the Operations and Projects Committee (\$284,624.14) and an additional amount (\$125,458.31) for invoices which came in after August 3, 2021.*



MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

August 3, 2021

TUESDAY, June 1, 2021, 12:01PM– 1:25PM

DIRECTORS PRESENT: Palla, Kaiser, Tillema, Antongiovanni, Collins (via phone), Mendonca, and Spitzer.

DIRECTORS ABSENT: Garone.

STAFF PRESENT: General Manager Teglia, Water Resources Manager Mulkay, Assistant General Manager Bellue, General Counsel Iger, and Controller Duncan.

OTHERS PRESENT: None.

CLOSED SESSION DECLARED AT 12:01PM

President Palla called to order the Closed Session of the Kern Delta Board of Directors at 12:01PM regarding the following agenda items:

- A. Conference with Legal Counsel – Potential Litigation – Closed Session Pursuant to Gov. Code § 54956.9(d)(2),(e)(1):
1. One Matter

Closed Session was concluded at 12:54PM.

Closed Session Report: District General Counsel Iger reported the following:

Item A: No reportable action.

REGULAR SESSION DECLARED AT 12:54PM

President Palla called to order the Regular Session of the Kern Delta Board of Directors at 12:54PM.

INTRODUCTION OF GUESTS AND PUBLIC

None.

I. PUBLIC COMMENT

None.

II. MANAGER'S REPORT

A. Approval of the Minutes of the Regular Board Meeting of July 20, 2021:

M/S/C (Tillema/Spitzer) (yes-7, no-0): With Director Garone absent, the Board approved the minutes of the regular board meeting of July 20, 2021, as presented.

B. Review and Consideration of Land IQ Scope of Work Proposal for Evapotranspiration, Precipitation, and Crop Type within Kern Delta Water District: Staff reviewed a proposal from Land IQ for enhanced Evapotranspiration, Precipitation and Crop type analysis within Kern Delta. The proposal includes a three-year term and the cost associated with the proposal is based on a per-acre charge which equates to roughly \$90,000 per year. Staff detailed the potential benefits associated with this program included enhancing the District's understanding of water demand and precipitation throughout the District as well as SGMA related application. After discussion, the Board directed staff to move forward with finalizing the Kern Delta program, including having Land IQ representatives present at a future Board meeting prior to an action by the Board to approve a contract with Land IQ.

III. BOARD MEMBER COMMENTS

None.

IV. ADJOURNMENT:

There being no further business, President Palla adjourned the meeting at approximately 1:25PM.

Approved by Board,



Richard Tillema, Board Secretary

Respectfully Submitted,



Steven Teglia, General Manager

KERN DELTA WATER DISTRICT
DISBURSEMENTS RECOMMENDED BY THE BUSINESS AND FINANCE COMMITTEE
MONDAY, AUGUST 16, 2021

JULY 2021 SUB TOTAL \$ 263,164.60

# PAYEE	AMOUNT	CHECK
1 AMERICAN HYDROTECH - lawn service	325.00	44867
2 AMERIFUEL - fuel	7,142.91	44868
3 B&G MACHINE & WELDING - repair #403	2,925.00	44869
4 BAKERSFIELD LOCKSMITH - rekey doors	264.13	44870
5 BLUE PRINT SERVICE CO. - copies	587.02	44871
6 BROWN ARMSTRONG ACCOUNTANCY CORP. - annual audit, progress payment	3,000.00	44872
7 THE BAKERSFIELD CALIFORNIAN - general election ad	322.68	44873
8 CITIZENS CARDMEMBER SERVICES - office supplies, lunch	5,170.90	44874
9 COUNTRY TIRE & WHEEL - flat repair #326, tires	795.52	44875
10 JIM BURKE FORD - throttle body #218, filters #210	636.55	44876
11 KERN COUNTY PUBLIC WORKS - dump fee	2,016.00	44877
12 KERN MACHINERY - filters #326	54.18	44878
13 MARCOM GROUP - website hosting	95.00	44879
14 NORTH KERN WATER STORAGE DISTRICT - 2nd qtr w/m wages	1,650.00	44880
15 OPEN & SHUT ENTERPRISES - gate repair	380.82	44881
16 O'REILLY AUTO PARTS - fuse #326, wiper blade #212	104.77	44882
17 ORKIN - pest control	85.00	44883
18 PACIFIC GAS & ELECTRIC - office utilities	2,219.02	44884
19 PRINCIPAL LIFE INSURANCE - 8/1/21-8/31/21 premium	4,725.72	44885
20 RELIABLE JANITORIAL - cleaning service	1,185.00	44886
21 SPARKLE TEXTILE RENTAL SERVICE - uniform service	1,540.20	44887
22 SSD ALARM - alarm service	90.90	44888
23 STINSON STATIONERS - office supplies	241.21	44889
24 TARGET SPECIALTY PRODUCTS - roundup, cheetah, pro bait	10,593.90	44890
25 TECHNOFLO SYSTEMS, INC. - meters	2,445.30	44891
26 WESTAIR GASES & EQUIPMENT, INC. - propane	51.96	44892
27 CNA SURETY - bond insurance	346.16	44893
28 COLE'S ENVIRONMENTAL - recycling fee	450.00	44894
29 JIM BURKE FORD - filters #327	366.28	44895
30 KERN COUNTY WATER AGENCY - 2021-2022 IAA dues	3,845.00	44896
31 MOTOR CITY - filters #106	103.27	44897
32 PROGRESSIVE TECHNOLOGY, INC. - phone service, IT support	4,239.65	44898
33 SPARKLE TEXTILE RENTAL SERVICE- - uniform service	367.19	44899
34 STERICYCLE, INC. - recycling service	81.87	44900
35 TARGET SPECIALTY PRODUCTS - cheetah, pro spreader	8,052.06	44901
36 TODD GROUNDWATER - professional services	1,338.15	44902
37 VERIZON - cell service	656.49	44903
38 PAYROLL #15	70,225.87	Wire
39 PAYROLL PEOPLE #15	159.75	Wire
40 EDD-STATE P/R #15	4,836.77	Wire
41 EFT-IRS P/R #15	23,780.00	Wire
42 LINCOLN LIFE - retirement program	13,208.31	Wire

43 LINCOLN LIFE - deferred comp.	3,191.00	Wire
44 MASS MUTUAL - deferred comp.	1,840.00	Wire
45 CENTRALIZE HR- administration fee August	1,895.00	Wire
JULY 2021 TOTAL	450,796.11	

# PAYEE	AMOUNT	CHECK
1 A-1 ANSWERING SERVICE - answering service	584.75	44904
2 ADVANCED DISTRIBUTION - def pump	134.05	44905
3 AMERICAN HYDROTECH - lawn service	325.00	44906
4 AMERIFUEL - fuel	8,297.79	44907
5 KEVIN ANTONGIOVANNI - directors fee	100.00	44908
6 BEE GEE NUTS - overpayment reimbursement	456.90	44909
7 BROWN ARMSTRONG ACCOUNTANCY CORP. - annual audit, progress payment	2,500.00	44910
8 DONALD COLLINS - directors fee	100.00	44911
9 COUNTRY TIRE & WHEEL - tire # T-3	115.61	44912
10 FRED GARONE - directors fee	100.00	44913
11 GREENFIELD COUNTY WATER DIST. - office utilities	151.53	44914
12 INDUSTRIAL MEDICAL GROUP - emp. Physical	25.00	44915
13 JIM BURKE FORD - evaporator #207, filters #326 & #328	798.40	44916
14 DAVID KAISER - directors fee	200.00	44917
15 KERN COUNTY AUDITOR-CONTROLLER - vouchers	17.00	44918
16 KERN COUNTY RECORDER - lien redemptions	240.00	44919
17 KERN MACHINERY - oil, file	18.65	44920
18 McMURTREY & HARTSOCK - professional services	12,740.00	44921
19 JOEY MENDONCA - directors fee	100.00	44922
20 MOTOR CITY - filters #101	103.27	44923
21 O'REILLY AUTO PARTS - def, brake pads #101	15.85	44924
22 RODNEY PALLA - directors fee	100.00	44925
23 PACIFIC GAS & ELECTRIC - office utilities	21.74	44926
24 PRICE DISPOSAL - dump fee	14.34	44927
25 PROGRESSIVE TECHNOLOGY, INC. - IT support	375.00	44928
26 QUINN - beacon light #403	421.42	44929
27 SAN JOAQUIN TRACTOR CO. - adjusting link #403	25.94	44930
28 SPECTRUM - internet	360.27	44931
29 ROSS E. SPITZER - directors fee	100.00	44932
30 TARGET SPECIALTY PRODUCTS - cheetah, pro spreader	12,431.62	44933
31 TECHNOFLO SYSTEMS, INC. - flocom register weir #551	733.89	44934
32 THOMSON INTERNATIONAL INC. - overpayment reimbursement	665.92	44935
33 THOMSON REUTERS - legal subscription Jul & Aug	1,000.00	44936
34 RICHARD TILLEMA - directors fee	200.00	44937
35 VACUSWEEP - parking lot maintenance	200.00	44938
36 WESTAIR GASES & EQUIPMENT, INC. - gases	82.14	44939
37 WHITE CAP - gloves, water jugs	324.18	44940
38 CITIZENS CARDMEMBER SERVICES - office supplies, subscriptions	2,639.90	44941
39 LOWE'S BUSINESS ACCOUNT - buckets, stacking bin	334.95	44942
40 STERLING ADMINISTRATION - HSA admin fee	152.00	44943
41 UNITED AG BENEFIT TRUST - September medical premium	28,775.19	44944
42 EDD - 2nd qtr unemployment	1,147.00	Wire
43 PAYROLL #16	69,595.41	Wire

44 PAYROLL PEOPLE #16	159.75	Wire
45 EDD-STATE P/R #16	4,768.68	Wire
46 EFT-IRS P/R #16	22,546.38	Wire
47 LINCOLN LIFE - retirement program	13,124.57	Wire
48 LINCOLN LIFE - deferred comp.	3,191.00	Wire
49 MASS MUTUAL - deferred comp.	1,840.00	Wire
AUGUST 2021 SUB TOTAL		192,455.09

KERN DELTA WATER DISTRICT**Anticipated Disbursements - Month End - August 2021**

Payee	Reason	August 2021 Estimated
ADVANCED DIST.	Truck maintenance/repair	750.00
AMERICAN HYDROTECH	Canal maintenance	325.00
AMERIFUEL	Gas/Diesel fuel	7,500.00
BLACK/HALL CONSTRUCTION	Construction progress billing	123,701.47
BLUE PRINT SERVICE CO	Copies	587.00
CARQUEST	Vehicle Maintenance	125.00
CENTRALIZE HR	HR admin fee	1,895.00
CITIZENS BUSINESS BANK	Credit card payment	3,000.00
COUNTRY TIRE	Vehicle tires	800.00
COX, CASTLE & NICHOLSON LLP	professional services	250.00
ELLISON, SCHNEIDER, & HARRIS	State Board mediation	10,000.00
HOME DEPOT	Shop supplies	350.00
JIM BURKE	Truck maintenance/repair	650.00
K.C. WASTE	Dumping	1,200.00
KERN COUNTY RECORDER	Lien redemption fees	240.00
KERN COUNTY SEWER	service septic	700.00
KERN MACHINERY	Truck maintenance/repair	100.00
LINCOLN FINANCIAL	Pension/deferred comp contributions	16,384.00
MARCOM GROUP	District web site support	95.00
MASSACHUSETTS MUTUAL	Deferred comp contributions	1,840.00
NAVIA BENEFIT SOLUTIONS	Medical benefits	832.00
NORTH KERN WSD	Watermaster wages	9,500.00
O'REILLY AUTO PARTS	Vehicle repair parts	105.00
ORKIN	Pest control - office	85.00
P.G.&E.	District office utilities	2,219.00
PRINCIPAL LIFE INS.	Dental/vision/life insurance premium	4,725.72
PROGRESSIVE TECH.	IT and computer system support	438.06
QUINN	Motorgrader maintenance/repair	500.00
RELIABLE JANITORIAL	Janitor service	1,185.00
SCHWEBEL PETROLEUM	Oil/lubricants	1,060.00
SPARKLE	Uniform/laundry service	1,540.00
SPECTRUM	Internet access	360.00
SSD SYSTEMS	Office alarm monitoring	65.90
STERICYCLE, INC (Shred-it)	Office shredding and disposal	82.28
STERLING ADMINISTRATION	HRA admin fee	140.00
STINSON'S	Office supplies	250.00
TARGET	Weed control chemicals	30,000.00
TECHNOFLO SYSTEMS, INC	Meters	2,445.00
TODD ENGINEERS	Professional services	500.00
UNITED AG	Medical insurance monthly premium	28,950.00
VERIZON	Operations phones and cellular service	656.50
WESTAIR	Welding supplies	60.00
		<hr/>
		256,191.93



To: Kern Delta Water District Board of Directors

From: Steven Teglia

Date: August 17, 2021

Re: Invoices and Disbursements, Special Projects & Water Banking Project Operation/Construction.

RECOMMENDATION:

Staff recommends payment of the following fifteen payables divided into three overall groups of: 1) water banking program design, construction, and construction support -- \$00.00; 2) water banking variable -- \$284,624.14; 3) Kern Delta Water District construction -- \$00.00. The total expenditure in July for these areas is \$284,624.14 (plus additional PG&E well energy stand-by cost).

DISCUSSION:

The following fifteen payables can be divided into three overall groups: 1) water banking program design, construction, and construction support, 2) water banking variable, and 3) Kern Delta construction.

First group (Water Banking Program Design, Construction, and Construction Support):

Second group (Water Banking Variable):

- 1) Mr. Backhoe – \$53,508.12 (Grading; Romero Basins)
- 2) PG&E – \$33,050.62 (AE-02, Power/stand-by energy cost for the wells associated with the Water Banking water production)
- 3) PG&E – \$31,66.46 (AE-03, Power/stand-by energy cost for the wells associated with the Water Banking water production)
- 4) PG&E – \$30,938.39 (AE-04, Power/stand-by energy cost for the wells associated with the Water Banking water production)
- 5) PG&E – \$18,584.49 (FR-03, Power/stand-by energy cost for the wells associated with the Water Banking water production)
- 6) PG&E – \$21,349.66 (KD-01, Power/stand-by energy cost for the wells associated with the Water Banking water production)
- 7) PG&E – \$22,711.40 (KD-02, Power/stand-by energy cost for the wells associated with the Water Banking water production)
- 8) PG&E – \$31,002.69 (KI-07, Power/stand-by energy cost for the wells associated with the Water Banking water production)
- 9) PG&E – \$30,833.78 (KI-08, Power/stand-by energy cost for the wells associated with the Water Banking water production)

- 10) Stephen B. Smith – \$1,540.00 (Weed control)
- 11) Target Specialty – \$2,978.93 (Cheetah, Torpedo)
- 12) Cross Land Leveling – \$3,392.00 (Branch One Basins Expansion)
- 13) Bakersfield Californian – \$1,321.08 (AD; Sunset Basin)
- 14) Krazan – \$1,133.00 (Compaction testing; KI Basin)
- 15) Kern Machinery – \$1,113.52 (air/oil filters #401)

Third group (Kern Delta Construction):

KERN DELTA WATER BANKING PROGRAM DISBURSEMENTS
RECOMMENDED BY THE OPERATIONS & PROJECTS COMMITTEE
August 3, 2021

#	PAYEE		AMOUNT	CHECK
1	MR BACKHOE	Grading - Romero Basins	53,508.12	3071
2	PGE-AE2	Well Utilities	33,050.62	3072
3	PGE-AE3	Well Utilities	31,166.46	3073
4	PGE-AE4	Well Utilities	30,938.39	3074
5	PGE-FR3	Well Utilities	18,584.49	3075
6	PGE-KD1	Well Utilities	21,349.66	3076
7	PGE-KD2	Well Utilities	22,711.40	3077
8	PGE-KI7	Well Utilities	31,002.69	3078
9	PGE-KI8	Well Utilities	30,833.78	3079
10	STEPHEN SMITH SOLU.	Weed control	1,540.00	3080
11	TARGET SPECIALTY	Cheetah, torpedo	2,978.93	3081
12	CROSS LANDLEVELING	Branch 1 Grading	3,392.00	3082
13	BAKERSFIELD CALIF.	AD - Sunset Bids	1,321.08	3083
14	KRAZAN	Compaction testing - KI Basin	1,133.00	3084
15	KERN MACHINERY	air/oil filters #401,	1,113.52	3085
TOTAL			\$284,624.14	

The following were received after the August 3, 2021 Operations & Projects committee meeting and will be reviewed at the August 16th, 2021 Business and Finance Committee meeting. □

□

#	PAYEE		AMOUNT	CHECK
1	K&J SERVICES	Weed control	2,550.00	3086
2	PGE-BV2	Well Utilities	30,928.54	3087
3	PGE-BV3	Well Utilities	31,092.88	3088
4	PGE-BV4	Well Utilities	28,325.78	3089
5	PGE-BV5	Well Utilities	29,490.16	3090
6	QUINN	bearings, pins, washers #402	3,070.95	3091
TOTAL			\$125,458.31	



To: Kern Delta Water District Board of Directors

From: Steven Teglia – General Manager

Date: August 17, 2021

Re: Kern Multi-Jurisdictional Hazard Mitigation Plan - Resolution Approval

RECOMMENDATION:

Approve Resolution 2021-05 adopting the updated Kern Multi-Jurisdictional Hazard Mitigation Plan (MJHMP) as the official hazard mitigation plan.

DISCUSSION:

As one of 48 participating jurisdictions, Kern Delta has been collaborating with the County in updating the 2014 MJHMP.

A hazard mitigation plan provides the County and participating jurisdictions access to grant funding from FEMA for hazard mitigation activities. In addition, in order for Kern Delta to be eligible to recover funds from FEMA's Hazard Mitigation Grant Program in the event of a Major Disaster Declaration for the County, this State and federally-approved plan must be in place.



MEMORANDUM

TO: All jurisdictions participating in the
Kern Multi-Jurisdiction Hazard Mitigation Plan (MJHMP)

FROM: Torie Jarvis, Planning Manager
Dynamic Planning + Science
970-323-4330 or torie@dynamicplanning.co

DATE: August 12, 2021

RE: **2020-2021 Kern MJHMP Adoption Background Information**

Over the past two-plus years, Kern County, along with participating jurisdictions, developed an update to the 2014 Kern Multi-Jurisdiction Hazard Mitigation Plan (MJHMP) to reduce losses resulting from natural disasters. All participating jurisdictions, the Hazard Mitigation Planning Committee (HMPC), and the public have been offered the opportunity to review the MJHMP. **The governing bodies of participating jurisdictions are now being asked to adopt the Kern MJHMP as the official mitigation plan.** This memo may provide helpful background information for adoption proceedings; please feel free to use as you see fit.

Hazard mitigation is the use of sustained, long-term actions to reduce the loss of life, personal injury, and property damage that can result from a disaster. The Plan provides a formal explanation of prevalent natural hazards within the County and how hazards may affect communities differently. The mitigation strategy presented in the Plan responds to the known vulnerabilities within each community and provides prescriptions or actions to achieve the greatest reduction of natural hazard risk.

The purpose of having a hazard mitigation plan is to (1) provide the County and participating jurisdictions continued access to grant funding from the Federal Emergency Management Agency (FEMA) to conduct hazard mitigation activities and (2) provide resources for residents wishing to conduct hazard mitigation efforts by identifying areas of extreme risk and providing financial and technical mitigation resources based on current gaps.

The plan was developed by the Hazard Mitigation Planning Committee (HMPC), made up of participants from all participating jurisdictions advising on hazard and mitigation action priorities both for the County as a whole and each jurisdiction individually, with expertise from the consultants on the project, Dynamic Planning + Science.

The Kern MJHMP has been set up in two volumes to separate jurisdiction-specific elements (Volume 2) from those that apply to the whole planning area (Volume 1):

- Volume 1, also known as the “umbrella plan,” includes all federally required elements of a hazard mitigation plan that apply to the entire planning area. This includes the description of the planning process, public involvement strategy, goals and objectives, countywide hazard risk assessment,



countywide mitigation initiatives, and a plan maintenance strategy. Volume 1 includes the following appendices:

- Appendix A – Annex Methodology
- Appendix B – Planning Process Documentation
- Volume 2 includes a crosswalk that directs readers to all federally required, jurisdiction-specific elements for each jurisdiction, which, in turn, are available as standalone Annex HMPs. Volume 2 describes the categorization of jurisdictions into municipalities, special districts, school districts, and water and wastewater districts.

There are 48 jurisdictions participating in this MJHMP. However, not all jurisdictions were able to complete the update process at the same pace, especially given challenges presented by the ongoing COVID-19 pandemic that, at its initial peak, caused many jurisdictions to radically scale back operations and send employees home.

Because not all jurisdictions were able to complete the update process at the same pace, Plan documents were divided into two “Waves.” Wave One consisted of Plan Volume 1 and the standalone Annex HMPs of the first 11 participating jurisdictions that completed the update process. At the conclusion of a public review and comment period, the documents were submitted to Cal OES and FEMA for review and approval. After FEMA determined that the Wave One documents were “Approvable Pending Adoption” by the respective jurisdictions, each Wave One jurisdiction adopted Plan Volume 1 and their standalone Annex HMP. FEMA was sent the adoption resolutions and on April 9, 2021, granted final approval of Plan Volume 1 and the 11 standalone Annex HMPs in Wave One.

In addition to Kern County, the following jurisdictions were part of Wave One:

<u>Municipalities</u> City of Tehachapi City of Wasco	<u>Water/Wastewater Districts</u> Arvin-Edison Water Storage District Kern County Water Agency
<u>Special Districts</u> East Niles Community Services District Mojave Air & Space Port Stallion Springs Community Services District Tehachapi Valley Recreation and Park District	<u>School Districts</u> Kern High School District Lost Hills Union School District Tehachapi Unified School District



Wave Two of the Plan documents consists of the standalone Annex HMPs of the 36 participating jurisdictions that completed the update process after the County and first 11 jurisdictions. The public reviewed the Wave Two Plan documents in January and February 2021, and all public comments have been addressed.

The following jurisdictions are part of Wave Two:

<u>Municipalities</u> City of Arvin City of Bakersfield City of California City City of Delano City of Maricopa City of Ridgecrest City of Shafter City of Taft	<u>Water/Wastewater Districts (Continued)</u> Tehachapi-Cummings County Water District West Kern Water District Wheeler Ridge-Maricopa Water Storage District <u>Special Districts</u> Arvin CSD Bear Valley CSD Golden Hills CSD North of the River Recreation and Park District Rosamond CSD Shafter Recreation and Park District <u>School Districts</u> Bakersfield City School District Buttonwillow Union School District Kern Community College District Mojave Unified School District Richland School District Sierra Sands Unified School District Taft City School District
<u>Water/Wastewater Districts</u> Berrenda Mesa Water District Buttonwillow County Water District Cawelo Water District Ford City-Taft Heights Sanitation District Greenfield County Water District Kern Delta Water District Kern Sanitation Authority Kern-Tulare Water District Lost Hills Water District North of the River Municipal Water District North of the River Sanitary District Semitropic Water Storage District	

On July 13, 2021, FEMA determined that the standalone Annex HMPs for the 36 jurisdictions listed above are “Approvable Pending Adoption.” FEMA’s determination signals that no additional edits or changes to the Wave Two standalone Annex HMPs are required.

The governing body of each jurisdiction listed above must now adopt the Volume 1 “umbrella plan” and its respective standalone Annex HMP and submit the adoption resolution, through DP+S, to FEMA. As they did for the Wave One jurisdictions, FEMA will grant final approval of the Wave Two standalone Annex HMPs after they receive the adoption resolutions.

A current and approved hazard mitigation plan is a prerequisite for jurisdictions wishing to pursue funding under FEMA’s Hazard Mitigation Assistance (HMA) Program. The Kern MJHMP must be updated every five (5) years to remain in compliance with Federal regulations and mitigation grant conditions. After FEMA grants final approval of the Wave Two standalone Annex HMPs, the Annexes will be valid until April 9, 2026, or five years from the date that FEMA granted final approval of Plan Volume 1.

The Kern MJHMP is available at these links, to either view in a browser or to download. Note the large document size if choosing to download. The following links are for Volume 1 and directly to the Annexes.

**KERN MJHMP VOLUME 1 (COUNTY UMBRELLA PLAN):**
[Download](#) (warning: large document size)

[View in Browser](#)
KERN MJHMP ANNEXES**WAVE ONE**

Jurisdiction	Download Annex	View Annex in Browser
City of Tehachapi	Download	View in Browser
City Of Wasco	Download	View in Browser
Kern High School District	Download	View in Browser
Lost Hills Union School District	Download	View in Browser
Tehachapi Unified School District	Download	View in Browser
East Niles CSD	Download	View in Browser
Mojave Air and Space Port	Download	View in Browser
Stallion Springs CSD	Download	View in Browser
Tehachapi Valley RPD	Download	View in Browser
Arvin-Edison Water Storage District	Download	View in Browser
Kern County Water Agency	Download	View in Browser

WAVE TWO

Jurisdiction	Download Annex	View Annex in Browser
City of Arvin	Download	View in Browser
City of Bakersfield	Download	View in Browser
City of California City	Download	View in Browser
City of Delano	Download	View in Browser
City of Maricopa	Download	View in Browser
City of Ridgecrest	Download	View in Browser
City of Shafter	Download	View in Browser
City of Taft	Download	View in Browser
Bakersfield City School District	Download	View in Browser
Buttonwillow Union School District	Download	View in Browser
Kern Community College District	Download	View in Browser



Jurisdiction	Download Annex	View Annex in Browser
Mojave Unified School District	Download	View in Browser
Richland School District	Download	View in Browser
Sierra Sands Unified School District	Download	View in Browser
Taft City School District	Download	View in Browser
Arvin CSD	Download	View in Browser
Bear Valley Community Services District	Download	View in Browser
NRRPD	Download	View in Browser
Rosamond CSD	Download	View in Browser
Shafter RPD	Download	View in Browser
Berrenda Mesa Water District	Download	View in Browser
Buttonwillow County Water District	Download	View in Browser
Cawelo Water District	Download	View in Browser
Ford City-Taft Heights	Download	View in Browser
Golden Hills CSD	Download	View in Browser
Greenfield County Water District	Download	View in Browser
Kern Delta Water District	Download	View in Browser
Kern Sanitation Authority	Download	View in Browser
Kern Tulare Water District	Download	View in Browser
Lost Hills Water District	Download	View in Browser
North of River Sanitary District	Download	View in Browser
North of the River Municipal Water District	Download	View in Browser
Semitropic Water Storage District	Download	View in Browser
Tehachapi-Cummings County Water District	Download	View in Browser
West Kern Water District	Download	View in Browser
Wheeler Ridge-Maricopa Water Storage District	Download	View in Browser

RESOLUTION # 2021-05
ADOPTING THE UPDATED MULTI-JURISDICTION HAZARD MITIGATION PLAN

Section 1. WHEREAS:

- (a) Kern Delta Water District (“Kern Delta”), a California Water District, is an official participating jurisdiction in the updated Kern Multi-Jurisdiction Hazard Mitigation Plan (“MJHMP”); and
- (b) Kern Delta recognizes the updated MJHMP as the official hazard mitigation plan for participating jurisdictions; and
- (c) Kern Delta has gathered information and prepared the updated MJHMP in accordance with Federal Emergency Management Agency (FEMA) requirements at 44 CFR § 201.6; and
- (d) Volume 1 of the updated MJHMP recognizes the threat that natural hazards pose to people and property Kern County-wide; and
- (e) Kern Delta’s Annex to Volume 1 of the updated MJHMP provides additional information specific to Kern Delta, with a focus on providing additional details on the planning process, risk assessment, and mitigation strategy for this community; and
- (f) Kern Delta reviewed Volume 1 of the updated MJHMP and its Annex and affirms that the plan actions in Volume 1 and its Annex should reduce the potential for harm to people and property from future hazard occurrences within the community; and
- (g) The U. S. Congress passed the Disaster Mitigation Act of 2000 (“Disaster Mitigation Act”) emphasizing the need for pre-disaster mitigation of potential hazards; and
- (h) The Disaster Mitigation Act made available mitigation grants to state and local governments; and
- (i) An adopted hazard mitigation plan is required as a condition of future funding for mitigation projects under multiple FEMA pre- and post-disaster mitigation grant programs; and
- (j) Kern Delta fully participated in the FEMA-prescribed mitigation planning process to prepare this updated MJHMP; and
- (k) The residents were afforded opportunities to comment and provide input in the updated MJHMP and the mitigation actions in the Plan; and
- (l) Kern Delta, as a fully participating jurisdiction of the updated MJHMP, is an eligible sub-applicant to the State of California under FEMA’s hazard mitigation grant program guidance; and
- (m) The California Office of Emergency Services (Cal OES), and the FEMA Region IX officials have reviewed the updated MJHMP, and approved it contingent upon this official adoption by the participating governing body; and
- (n) Kern Delta desires to comply with the requirements of the Disaster Mitigation Act and to augment its emergency planning efforts by formally adopting the updated MJHMP; and

(o) Adoption by the governing body for the Kern Delta demonstrates the jurisdiction's commitment to fulfilling the mitigation goals and objectives outlined in this updated MJHMP; and

(p) Adoption of this plan helps to coordinate the responsible agencies to carry out their responsibilities under the updated MJHMP.

Section 2. **NOW, THEREFORE, IT IS RESOLVED** by the Board of Directors of Kern Delta:

1. This Board of Directors finds the facts mentioned above to be true and further finds that this Board of Directors has jurisdiction to consider, approve, and adopt the subject of this Resolution.

2. This Board of Directors does hereby adopt the updated Kern Multi-Jurisdiction Hazard Mitigation Plan Volume 1 and its Annex, as approved by FEMA and Cal OES, as the official mitigation plan for Kern Delta.

3. This Board of Directors authorizes the Director of Kern County Emergency Services to submit an approved and signed copy of this adoption resolution to the California Office of Emergency Services and FEMA Region IX officials to enable the plan's final approval in accordance with the requirements of the Disaster Mitigation Act of 2000.

Passed: _____
Date

RODNEY PALLA
President of the Board

RICHARD TILLEMA
Secretary of the Board

Tab III





SPECIAL BUSINESS & FINANCE COMMITTEE MEETING

**501 Taft Highway
Bakersfield, CA**

**MONDAY, August 16, 2021
10:00AM**

A G E N D A

- 1. Call to order**
- 2. Public Comment Period**
- 3. Approve Minutes of July 15, 2021, Business & Finance Committee Meeting**
- 4. Financial Reports and Accounts Payable:**
 - a. Approve July and August District and Banking Project Disbursements
 - b. Approve July 2021 Financial Reports
- 5. District Controller's Report:**
 - a. Review of 2020 Audited Financial Report
 - b. Draft 2022 Budget
- 6. Committee Comments**
- 7. Adjourn**

A handwritten signature in black ink, appearing to read "Bryan Duncan", with a stylized flourish at the end.

Bryan Duncan
District Controller

Posted: Tuesday, August 10, 2021
Bakersfield, California

Requests for disability related modifications or accommodations, including auxiliary aids or services may be made by telephoning or contacting Madelyne Rodriguez at the District Office (661-834-4656). Please attempt to make such requests known at least 24 hours before the scheduled meeting. Pursuant to Government Code section 54957.5, any materials relating to an open session item on this agenda, distributed to the Board of Directors after the distribution of the agenda packet, will be made available for public inspection at the time of distribution at the District, 501 Taft Highway, Bakersfield, CA.

Kern Delta Water District
Balance Sheet
As of July 31, 2021

<u>Assets</u>	July 31, 2021	June 30, 2021	Month-to- Month Variance
Current Assets:			
Cash & Securities in Bank	\$ 22,385,926	\$ 22,282,634	\$ 103,293
Accounts Receivable	615,959	696,015	(80,057)
Due From KDWP	-	-	-
Inventories & Prepaid Expenses	229,657	217,191	12,466
Total Current Assets	<u>23,231,541</u>	<u>23,195,840</u>	<u>35,702</u>
Fixed Assets			
District Structures, Rights of Way	\$ 15,733,298	\$ 15,733,298	\$ -
Construction in Progress	2,194,722	2,191,528	\$ 3,195
CVC Expansion	8,776,668	8,776,668	-
Machinery & Equipment	2,471,897	2,471,897	-
	<u>29,176,586</u>	<u>29,173,391</u>	<u>3,195</u>
Accumulated Depreciation	<u>(6,881,146)</u>	<u>(6,842,146)</u>	<u>(39,000)</u>
Net Fixed Assets	<u>22,295,439</u>	<u>22,331,245</u>	<u>(35,805)</u>
Investment in Joint Powers Authority	\$ 15,305	\$ 11,480	\$ 3,825
Investment in MET Program	8,890,130	8,890,130	-
Total Assets	<u>\$ 54,432,416</u>	<u>\$ 54,428,695</u>	<u>\$ 3,722</u>
<u>Liabilities & Equity</u>			
Current Liabilities:			
Trade Accounts Payable	\$ 133,397	\$ 107,457	\$ 25,940
Deferred Revenue	-	-	-
Accrued Liabilities	173,826	178,415	(4,589)
Total Current Liabilities	<u>307,223</u>	<u>285,872</u>	<u>21,351</u>
Long-Term Liabilities:			
Bonds & COP Borrowing	\$ 4,015,000	\$ 4,015,000	\$ -
Bonds Premium & Costs	148,858	148,858	-
Total Long-Term Liabilities	<u>4,163,858</u>	<u>4,163,858</u>	<u>-</u>
Total Liabilities	<u>4,471,080</u>	<u>4,449,729</u>	<u>21,351</u>
Equity:			
Equity From Past Years	\$ 50,269,300	\$ 50,269,300	\$ -
Accumulative Equity - Current Year	<u>(307,964)</u>	<u>(290,334)</u>	<u>(17,629)</u>
Total Liabilities & Equity	<u>\$ 54,432,416</u>	<u>\$ 54,428,695</u>	<u>\$ 3,722</u>

Kern Delta Water District
Cash Variance Analysis
July 31, 2021

Cash Received:

Accounts Receivable Collections	522,642
Share of Property Tax Receipts	31,221
Interest Received	78
	<hr/>
	553,942
	<hr/>

Cash Disbursed:

Cash Disbursements for Goods and Services	(218,179)
Payrolls Paid	(232,470)
	<hr/>
	(450,649)
	<hr/>

Net positive/(negative) variance	103,293
---	----------------

Kern Delta Water District
Accounts Receivable Variance Analysis
July 31, 2021

Revenue Added to Accounts:

Water Sales - Utility Water	124,893
Water Sales - State Water	112,473
District Wells Revenue	4,696
NKWSD 3rd Qtr	182,750
Other Misc Revenues:	
Misc Leases and Rentals	6,500
Sale of Vehicles	5,800
Zenith Payroll Credit	1,817
Penalties/Interest	2,064
Other	1,592
	<hr/>
	442,585
	<hr/>

Cash Received on Account:

Water Payments	(446,410)
Misc Payments	(50,246)
Assessments Payments	(25,986)
	<hr/>
	(522,642)
	<hr/>

Net positive/(negative) variance	(80,057)
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**Kern Delta Water District
Inventory/Prepays Variance Analysis
July 31, 2021**

Additions to Accounts:

Weed Control Chemicals Purchased	91,900
Prepaid Additions	20,857
	<hr/>
	112,757

Usage/Amortization:

Chemicals Consumed During Month	(86,123)
Amortization of Prepaid Accounts	(14,168)
	<hr/>
	(100,291)

Net positive/(negative) variance	12,466
---	---------------

Kern Delta Water District
Operating Results - Year To Date
Through the Month Ended July 31, 2021

	Actual Current Month	Actual Year to Date	Annual Budget	YTD as % of Annual Budget (Target is 58%)	Budget Remaining
REVENUES:					
State water sales	\$ 112,473	\$ 245,174	\$ 1,179,193	21%	\$ 934,019
Utility water sales	124,893	1,365,026	3,214,297	42%	1,849,271
COB/Cal Water/GCWD Revenue	-	246,789	900,000	27%	653,211
Equalization	-	4,145	9,147	45%	5,003
Assessments	(1)	1,011,587	1,014,767	100%	3,180
Share of county tax	31,221	2,286,350	4,316,386	53%	2,030,036
ILRP Contract Revenue	-	-	-		-
Interest income	78	68,709	441,000	16%	372,291
Other income	22,432	233,694	175,000	134%	(58,694)
Water Transfer Charges	182,750	548,250	731,000	75%	182,750
Water Banking Expense Reimbursement	-	-	150,000	0%	150,000
Total income	\$ 473,846	\$ 6,009,724	\$ 12,130,790	50%	\$ 6,121,066
EXPENDITURES:					
Source of supply:					
State water costs	\$ -	\$ 2,318,103	\$ 2,725,000	85%	\$ 406,897
Exchange fees	-	1,400	76,500	2%	75,100
Watermaster, City, Isabella	1,650	113,173	361,400	31%	248,227
Miscellaneous source costs	-	16,830	500,000	3%	483,170
Total Source of supply	\$ 1,650	\$ 2,449,506	\$ 3,662,900	67%	\$ 1,213,394
Transmission and Distribution:					
Labor	\$ 217,727	\$ 1,489,286	\$ 2,627,040	57%	\$ 1,137,754
Employee benefits	66,401	469,376	842,305	56%	372,929
Maintenance & Repairs	115,483	541,224	1,197,812	45%	656,588
Total Transmission and Distribution	\$ 399,612	\$ 2,499,886	\$ 4,667,157	54%	\$ 2,167,271
Administrative & other costs:					
Engineering consultant	\$ -	\$ 63,521	\$ 50,000	127%	\$ (13,521)
Legal consultants	140	3,570	200,000	2%	196,430
Special legal/engineering	13,938	205,488	200,000	103%	(5,488)
Kern River GSA	-	-	200,000	0%	200,000
Insurance	12,235	83,520	163,194	51%	79,674
Office operations	24,688	177,970	334,782	53%	156,812
Special expenses	212	462,091	576,500	80%	114,409
Construction Expense - Peripheral	-	29,164	-		
Bond Interest expense	-	72,972	131,290	56%	58,318
Depreciation	39,000	270,000	456,000	N/A	186,000
Total administrative & other	\$ 90,214	\$ 1,368,296	\$ 2,311,766	59%	\$ 972,634
Total expenses	\$ 491,475	\$ 6,317,688	\$ 10,641,823	59%	\$ 4,324,135
Net Fav/(Unfav) Operating Results	\$ (17,629)	\$ (307,964)	\$ 1,488,967		\$ 1,796,931

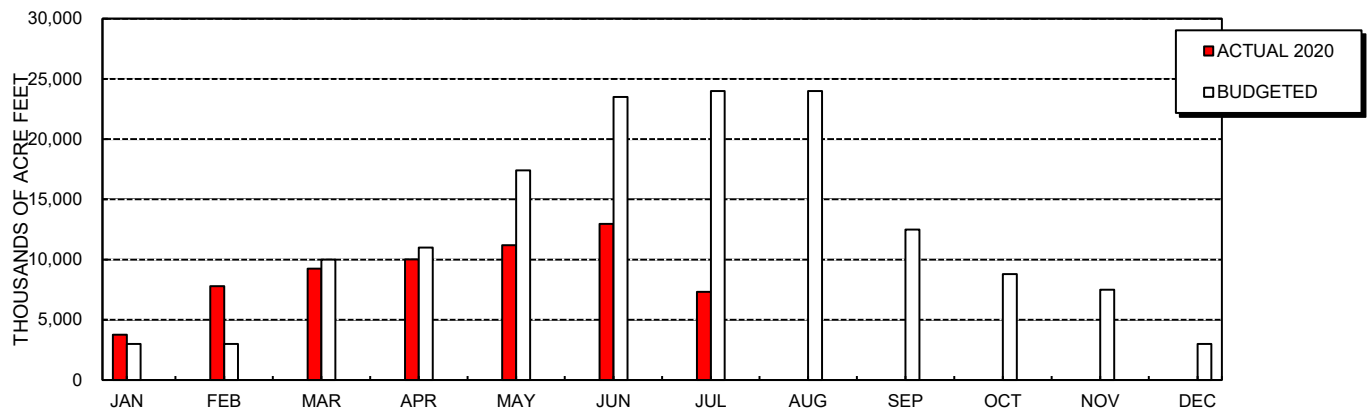
TREASURER'S REPORT

July 2021

	2021	2020	2019	2018
Cash & Securities on hand - July 1	\$ 22,282,634	\$ 21,561,908	\$ 16,907,394	\$ 14,896,480
Add: July receipts	553,942	815,871	1,138,945	2,832,586
Less: July disbursements	450,649	589,057	677,981	355,964
Cash & Securities on hand - July 31, 2021	\$ 22,385,926	\$ 21,788,722	\$ 17,368,359	\$ 17,373,102
Petty Cash \$ 500 Citizens Business Bank 1,163,479 Kern County Treasury 21,221,947 \$ 22,385,926				
Restricted Reserves:				
Restricted Reserve Fund - General Manager	\$ (300,000)	\$ (300,000)	\$ (300,000)	\$ -
Unrestricted Reserves:				
Pipeline Maintenance	(213,845)	(213,845)	(213,845)	(213,845)
Water Rights Protection & Litigation Reserve	(2,718,358)	(3,136,608)	(3,261,605)	(3,331,646)
2015-A COP Reserve Fund	(4,015,000)	(4,230,000)	(372,600)	(372,600)
Operating Reserve	(5,000,000)	(5,000,000)		
Capital Reserve	(2,000,000)	(2,000,000)		
Groundwater Program Reserve	(3,500,000)	(3,500,000)		
Total Reserves	\$ (17,747,203)	\$ (18,380,453)	\$ (4,148,050)	\$ (3,918,091)
Cash Available - July 31, 2021	\$ 4,638,723	\$ 3,408,269	\$ 13,220,309	\$ 13,455,011

**Kern Delta Water District
Monthly Water Sales Volume
in Acre Feet**

	2020	2021										
	Actual (Accum- ulated)	Budgeted		Actual								
		Monthly	(Accum- ulated)	Monthly				Accumulated				% of Budget
				Utility	State	Contracts	Total	Utility	State	Contracts	Total	
JAN	4,488	3,000	3,000	3,612	0	145	3,757	3,612	0	145	3,757	125%
FEB	12,169	3,000	6,000	7,461	0	341	7,801	11,073	0	486	11,559	193%
MAR	17,600	10,000	16,000	8,881	0	371	9,252	19,954	0	857	20,811	130%
APR	21,713	11,000	27,000	9,608	0	411	10,018	29,561	0	1,268	30,829	114%
MAY	33,840	17,400	44,400	10,727	103	371	11,202	40,289	103	1,639	42,031	95%
JUN	54,218	23,500	67,900	11,179	1,460	316	12,955	51,468	1,563	1,955	54,986	81%
JUL	74,182	24,000	91,900	5,959	1,177	186	7,322	57,427	2,740	2,141	62,308	68%
AUG	85,938	24,000	115,900									
SEP	92,178	12,500	128,400									
OCT	96,158	8,800	137,200									
NOV	99,138	7,500	144,700									
DEC	100,282	3,000	147,700									



KERN DELTA WATER DISTRICT

Aged Accounts Receivable

Past Due Accounts

August 17, 2021

Account	Name	0-30 Days	31-60 Days	61-90 Days	Over 90 Days	Total Past Due
887	Forney, Bruce	5.82	5.73	5.65	376.43	393.63
994	Giannelli Farms	558.76	227.14	-	-	785.90
3238	Greenfield Union School District	560.50	-	-	-	560.50
3616	Howell, Kenneth & Sylvia	2.78	185.55	-	-	188.33
3713	Cruz, Juan Carlos & Nancy	8.27	8.14	8.02	535.07	559.50
5769	Khachatrian, Emma	373.09	463.81	-	-	836.90
	OTHER	241.25	98.83	144.75	43.29	528.12
		1,750.47	989.20	158.42	954.79	3,852.88

Kern Delta Water Banking Project
Balance Sheet
July 31, 2021

Assets

	<u>July 31, 2021</u>	<u>June 30, 2021</u>	<u>Month-to- Month Variance</u>
Current Assets:			
Cash & Securities in Bank	\$ 6,906,292	\$ 6,716,587	\$ 189,705
Interest Receivable	-	-	-
Due from Metropolitan Water District	-	662,673	(662,673)
Due from SBVMWD	-	-	-
Inventory and Prepaids	111,748	113,326	(1,578)
Due from KDWD	-	-	-
Total Current Assets	<u>\$ 7,018,040</u>	<u>\$ 7,492,586</u>	<u>\$ (474,546)</u>
Fixed Assets at cost less depreciation:			
All structures	\$ 63,095,803	\$ 63,033,367	\$ 62,436
Machinery and equipment	418,064	418,064	-
	<u>\$ 63,513,867</u>	<u>\$ 63,451,431</u>	<u>\$ 62,436</u>
Less: Accumulated depreciation	(11,001,531)	(10,907,031)	(94,500)
Total fixed assets	<u>\$ 52,512,336</u>	<u>\$ 52,544,400</u>	<u>\$ (32,064)</u>
 Total Assets	 <u><u>\$ 59,530,376</u></u>	 <u><u>\$ 60,036,986</u></u>	 <u><u>\$ (506,610)</u></u>

Liabilities & Equity

Current Liabilities:			
Trade accounts payable	\$ -	\$ -	\$ -
Due to KDWD	-	-	-
Total current liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Equity:			
Contributions to equity - KDWD (Land purchases)	\$ 8,890,130	\$ 8,890,130	\$ -
Equity from past years	52,202,620	52,202,620	-
Equity enhanced this year	(1,562,374)	(1,055,764)	(506,610)
Total Equity	<u>\$ 59,530,376</u>	<u>\$ 60,036,986</u>	<u>\$ (506,610)</u>
 Total Liabilities & Equity	 <u><u>\$ 59,530,376</u></u>	 <u><u>\$ 60,036,986</u></u>	 <u><u>\$ (506,610)</u></u>

Kern Delta Water Banking Project
Cash Variance Analysis
July 31, 2021

Cash Received:

Received from MWD	662,673
Received From ID#4 - CVC Ops/Power	57,458
Interest Received	35
	<hr/>
	720,166

Cash Disbursed:

Disbursements - PG&E	(461,060)
Disbursements - Mr. Backhoe	(53,508)
Disbursements - Other	(15,893)
	<hr/>
	(530,461)

Net positive/(negative) variance

189,705

**Kern Delta Water Banking Project
Inventory/Prepays Variance Analysis
July 31, 2021**

Additions to Accounts:

Weed Control Chemicals Purchased	2,979
	<hr/>
	2,979

Usage/Amortization:

Chemicals Consumed During Month	(4,557)
	<hr/>
	(4,557)

Net positive/(negative) variance	(1,578)
---	----------------

**Kern Delta Water Banking Project
Statement of Operating Results
Through the Period Ended July 31, 2021**

	<u>Current Month</u>	<u>Year to Date</u>
REVENUE:		
MET Revenues	\$ -	\$ 662,673
Water Sales	-	-
Interest Income	35	26,094
Total of all income	<u>\$ 35</u>	<u>\$ 688,768</u>
Transfer and Exchange Fees:		
Exchange Fees	\$ -	\$ 5,200
Wheeling Fees	-	-
Total Exchange Fees	<u>\$ -</u>	<u>\$ 5,200</u>
Other Costs		
Power - KB1-8, KDW1-2	\$ 244,500	\$ 807,082
Power - AE1, AE2, AE3, AE4	107,504	299,068
Power - BV1, BV2, BV3, BV4, BV5	109,056	109,960
CVC Operating Costs	(57,070)	347,187
CVC Power Costs	(388)	2,292
O&M Spreading	2,673	12,513
Other O&M & Miscellaneous Costs	5,870	6,340
Legal & Accounting	-	-
Depreciation	94,500	661,500
Total Other Costs	<u>\$ 506,645</u>	<u>\$ 2,245,942</u>
Total all expenses	<u>\$ 506,645</u>	<u>\$ 2,251,142</u>
Favorable/(Unfavorable) Operating Results	<u>\$ (506,610)</u>	<u>\$ (1,562,374)</u>
Estimated 2nd Qtr Revenue - MWD		<u>\$ 2,000,000</u>
Estimated Fav/(Unfav) Operating Results		<u>\$ 437,626</u>

KERN DELTA WATER BANKING PROJECT

TREASURER'S REPORT

July

	2021	2020	2019	2018
Cash & Securities on hand - July 1, 2021	\$ 6,716,587	\$ 14,142,423	\$ 9,059,864	\$ 9,771,591
Add: July receipts	920,166	67,969	132,478	131,777
Less: July disbursements	730,461	158,832	14,503	151,186
Cash & Securities on hand - July 31, 2021	\$ 6,906,292	\$ 14,051,560	\$ 9,177,839	\$ 9,752,182
Citizens Business Bank \$ 270,069 Kern County Treasury <u>6,636,223</u> <u>\$ 6,906,292</u>				
Restricted Cash included in above:				
OM&R Spreading	\$ (339,908)	\$ 802,332	\$ 651,055	
OM&R Extraction	(555,119)	(86,757)	(137,772)	
OM&R CVC/Delivery Canal	-	(3,176,927)	(2,894,476)	
Take/Put Fees	<u>(1,464,681)</u>	<u>(4,821,397)</u>	<u>(648,255)</u>	
Total Restricted	\$ (2,359,708)	\$ (7,282,749)	\$ (3,029,448)	
Cash Available for Construction - July 31, 2021	<u>\$ 4,546,584</u>	<u>\$ 6,768,811</u>	<u>\$ 6,148,392</u>	

KERN DELTA WATER DISTRICT

**CONSOLIDATED FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT**

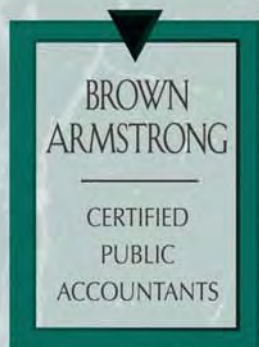
**FOR THE YEAR ENDED
DECEMBER 31, 2020**

**KERN DELTA WATER DISTRICT
DECEMBER 31, 2020**

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FINANCIAL SECTION



BROWN ARMSTRONG

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Kern Delta Water District
Bakersfield, California

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Kern Delta Water District (the District) as of and for the year ended December 31, 2020, and the related notes to the consolidated financial statements, which collectively comprise the District's basic consolidated financial statements as listed in the table of contents. The December 31, 2019 summarized comparative information has been derived from the 2019 consolidated financial statements and is included for additional analysis only.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these basic consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Opinions

In our opinion, the basic consolidated financial statements referred to above present fairly, in all material respects, the respective financial position of the District as of December 31, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic consolidated financial statements. Such information, although not a part of the basic consolidated financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic consolidated financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic consolidated financial statements, and other knowledge we obtained during our audit of the basic consolidated financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the consolidated financial statements that collectively comprise the District's basic consolidated financial statements. The consolidating financial statements as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic consolidated financial statements. The consolidating financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic consolidated financial statements or to the basic consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating financial statements are fairly stated in all material respects in relation to the basic consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 28, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
July 28, 2021

**KERN DELTA WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

The following discussion and analysis of the financial performance of Kern Delta Water District (Kern Delta) provides a comparative overview of the financial activities for the years ended December 31, 2020 and 2019. The information is presented in conjunction with the basic audited consolidated financial statements and accompanying notes which follow this analytical report.

Financial Highlights

2020 was a challenging year financially for Kern Delta compared to 2019, as drier climatic conditions prevailed throughout the year. Water available from the Kern River was 43% of normal in 2020 compared to 198% of normal in the previous year. Similar climatic conditions throughout the State of California resulted in a 20% allocation of State Water in 2020 compared to 75% in 2019. The diminished water supply led to comparatively decreased water deliveries and sales. Kern Delta's total sales of 106,526 acre-feet of water represents a 32% decrease in water sold compared to the prior year. Kern Delta banked 49,397 acre-feet of water as operational recharge using unlined canals and directly banked an additional 9,886 acre-feet of water to the benefit of Kern Delta lands compared to 68,320 acre-feet of operational recharge and 11,802 acre-feet of direct recharge in 2019.

Despite the challenges associated with a diminished supply of water to sell, Kern Delta recorded modest, yet positive, financial results in 2020. The change in net position for the year was \$2,224,000, a decrease of \$7,447,000 compared to the \$9,671,000 of change in net position reported in 2019. This overall decrease can be attributed to the following factors:

- **Operating Revenue in 2020 was unfavorable to 2019 in the amount of (\$7,084,000).** Revenue from fees and cost reimbursements from Kern Delta's banking partner, Metropolitan Water District (MWD), decreased significantly compared to the prior year by (\$4,258,000). Much of this decrease was due to the absence of revenue in 2020 generated from the storage of Banked Regulated Water for MWD. Revenue from the storage of Banked Regulated Water for MWD in 2019 amounted to \$4,173,000. MWD did not request such storage of Banked Regulated Water in 2020. Sales of State Water were unfavorable to the prior year by (\$1,767,000) while sales of Kern River sourced Utility Water were, likewise, unfavorable in the amount of (\$1,629,000). Revenue from the delivery of water to San Bernardino Valley Water Storage District was favorable to the prior year by \$788,000.
- **Operating Expenses in 2020 exceeded spending in 2019 by (\$711,000).** Due to the reduced water available for sale, significantly more water was pumped from groundwater sources than in 2019. The unfavorable increase in pumping cost recorded by the MWD Banking Program was (\$1,147,000). (Note: This \$1,147,000 is a "pass through" cost from Kern Delta to MWD. Kern Delta billed MWD during the normal course of business and recorded the reimbursement as Operating Revenue.) Also, during 2020 Kern Delta participated in the purchase of overdraft water made available from the Kern Water Bank Authority resulting in additional comparative spending of (\$561,000). These costs were offset by the avoidance of water exchange costs in 2020 compared with a \$950,000 water exchange fee paid in 2019.
- **The unfavorable decrease in Revenue and increase in Operating Expenses noted above were offset by a favorable variance of \$381,000 for Nonoperating Revenue.** Property Tax Revenues distributed by Kern County to Kern Delta increased by \$320,000 compared to the prior year. Interest earned on Kern Delta's cash balances increased by \$27,000 compared to 2019.

Overview of the Consolidated Financial Statements

This annual report includes the management discussion and analysis report, the independent auditor's report, the basic consolidated financial statements of Kern Delta, and selected additional information. The consolidated financial statements also include notes that explain in more detail some of the information included in the consolidated financial statements.

Required Consolidated Financial Statements

The consolidated financial statements of Kern Delta report financial information using accounting methods like those used by private sector companies. The consolidated financial statements conform to accounting principles generally accepted in the United States of America and utilize the accrual basis of accounting.

The ***Consolidated Statement of Net Position with Comparative Totals*** includes all of Kern Delta's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to Kern Delta creditors (liabilities), with the difference between the two reported as net position. This statement indicates which assets are restricted due to contractual obligations, Board of Directors action, or other commitments. This statement also provides the basis of assessing the liquidity, capital structure, and financial flexibility of Kern Delta.

Revenues and expenses for each of the last two years are accounted for in the ***Consolidated Statement of Revenues, Expenses, and Changes in Net Position with Comparative Totals***. This statement measures the success of Kern Delta's operations and can be used to determine profitability, credit worthiness, and whether Kern Delta has successfully recovered all its costs through user fees and other charges.

The ***Consolidated Statement of Cash Flows with Comparative Totals*** reports cash receipts, cash payments, and net changes in cash resulting from operating, investing, and financial activities. This statement provides information related to sources and uses of cash and the comparative change in cash balances for each of the years ended December 31, 2020, and December 31, 2019.

Financial Analysis of the Kern Delta

The required consolidated financial statements, discussed above, are intended to assist the reader in assessing the financial health of Kern Delta. The reader of these consolidated financial statements should also consider non-financial factors such as changes in economic condition, population growth, and new or changed governmental legislation when reviewing and analyzing the financial condition of Kern Delta.

Presented below are condensed versions of the consolidated financial statements with comments and analysis provided by management.

Table A
Condensed Consolidated Statements of Net Position
December 31, 2020 and 2019
(amounts in thousands)

	2020	2019	Variance 2020 vs. 2019
Current Assets	\$ 39,257	\$ 38,638	\$ 619
Net Capital Assets	30,045	28,928	1,117
Other Assets	38,772	38,778	(6)
Total Assets	\$ 108,074	\$ 106,344	\$ 1,730
Current Liabilities	\$ 1,688	\$ 1,944	\$ (256)
Long-Term Debt	3,914	4,152	(238)
Total Liabilities	\$ 5,602	\$ 6,096	\$ (494)
Net Investment in Capital Assets	\$ 25,893	\$ 24,543	\$ 1,350
Restricted for Metropolitan			
Water District Program	38,761	38,761	-
Unrestricted	37,818	36,944	874
Total Net Position	\$ 102,472	\$ 100,248	\$ 2,224

Total Net Position increased in 2020 by \$2,224,000 to \$102,472,000 compared to \$100,248,000 in 2019. The increase in Net Position was driven by a favorable increase in Total Assets of \$1,730,000 combined with a favorable decrease in Total Liabilities of \$494,000.

The increase in Total Assets is explained as follows:

- In 2020 Kern Delta initiated construction on a 3,700 square foot addition to its office building. Construction in progress on the additional office space totaled \$1,655,000 by the end of the year. Kern Delta also invested in land for recharge facilities in the amount of \$911,000. New construction on recharge facilities amounted to \$62,000. Purchases of new vehicles totaled \$77,000. These additions to Capital Assets were offset by the annual provision for Depreciation Expense of (\$1,548,000).
- The increase in Current Assets is attributable to an increase in Prepaid Expenses of \$2,332,000 (due to the payment of expenses due on the first of the following year that Kern Delta was required to pay in 2020 to ensure timely delivery) and an increase in Cash balances of \$1,147,000. These increases were offset by a decrease in Receivables of (\$2,861,000) due to a decline in revenue compared to the previous year caused by the drier climatic conditions pervasive throughout 2020.

Total Liabilities decreased \$494,000 in 2020. Principal payments and amortization of costs related to the long-term Certificates of Participation reduced long-term debt by \$233,000. Short-term Accounts Payable decreased \$176,000 compared to last year while Deferred Revenue decreased \$85,000.

Table B
Condensed Consolidated Statements of Revenues, Expenses, and Changes in Net Position
For the Years Ended December 31, 2020 and 2019
(amounts in thousands)

	2020	2019	Variance 2020 vs. 2019
Operating Revenues	\$ 7,411	\$ 14,495	\$ (7,084)
Nonoperating Revenues	7,039	6,658	381
Total Revenues	<u>14,450</u>	<u>21,153</u>	<u>(6,703)</u>
Operating Expenses	12,047	11,336	711
Nonoperating Expenses	179	146	33
Total Expenses	<u>12,226</u>	<u>11,482</u>	<u>744</u>
Change in Net Position	<u>\$ 2,224</u>	<u>\$ 9,671</u>	<u>\$ (7,447)</u>

While the Statements of Net Position show Kern Delta's change in financial position, the Statements of Revenues, Expenses, and Changes in Net Position provide information as to the nature and sources of these changes.

Total revenues decreased (\$6,703,000) to \$14,450,000 in 2020 from \$21,153,000 in 2019:

- As previously discussed, Operating Revenue in 2020 was unfavorable to the prior year by (\$7,084,000). Revenue from fees and cost reimbursements from Kern Delta's banking partner, MWD, decreased significantly compared to the prior year by (\$4,258,000). Much of this decrease was the result of no revenue booked for the storage of Banked Regulated Water for MWD during the year as opposed to the \$4,173,000 in such revenue generated in 2019. Sales of State Water were unfavorable to the prior year by (\$1,767,000) while sales of Kern River sourced Utility Water were unfavorable as well by (\$1,629,000). Sales of water to San Bernardino Valley Water Storage District in 2020 accounted for an offsetting favorable increase in revenue of \$788,000 as there was no such revenue booked in the prior year.
- Nonoperating Revenue in 2020 was favorable compared to 2019 by \$381,000. Property Tax Revenue distributed by Kern County to Kern Delta increased by \$320,000 compared to the prior year. Interest earned on cash holdings exceeded the prior year's revenue by \$27,000.

Total expenses increased unfavorably by (\$744,000) to \$12,226,000 compared to \$11,482,000 in 2019 due primarily to an unfavorable increase of (\$711,000) in Operating Expenses:

- Due to the reduced supplies of water available to Kern Delta by way of the Kern River and the State Water Project, significantly more water was pumped from groundwater sources than in 2019. The unfavorable increase in pumping cost compared to 2019 was (\$1,147,000). Also, during 2020 Kern Delta participated in the purchase of overdraft water made available from the Kern Water Bank Authority resulting in additional comparative spending of (\$561,000). These costs were offset by the avoidance of water exchange costs in 2020 compared with a \$950,000 water exchange fee paid in 2019.

Capital Assets

As of December 31, 2020, Kern Delta had invested \$30,045,000 in net capital assets as shown below:

Table C
Capital Assets
December 31, 2020 and 2019
(amounts in thousands)

	2020	2019	Variance 2020 vs. 2019
Land	\$ 4,067	\$ 4,064	\$ 3
Construction in Progress	1,655	-	1,655
Transmission and Distribution	16,591	16,587	4
Water Banking Facilities	21,531	20,557	974
General Plant and Equipment	3,168	3,155	13
Total Gross Capital Assets	47,012	44,363	2,649
Less: Accumulated Depreciation	(16,967)	(15,435)	(1,532)
Total Net Capital Assets	30,045	28,928	1,117
Restricted Assets:			
MWD Program Facilities	38,761	38,761	-
Total Capital Assets	<u>\$ 68,806</u>	<u>\$ 67,689</u>	<u>\$ 1,117</u>

Total Net Capital Assets increased in book value by \$1,117,000 in 2020. Key elements of the additional investment in Capital Assets are summarized as follows:

- Kern Delta initiated construction of a 3,700 square foot addition to its office building. Construction in progress on the additional office space totaled \$1,655,000 by the end of the year. Additionally, Kern Delta replaced old, used fleet vehicles with new models at a net cost, after write-off of the remaining book value of the older models, of \$76,000. Kern Delta also invested in land for recharge facilities in the amount of \$911,000. New construction on recharge facilities amounted to \$62,000. These two expenditures account for the majority of the increase in General Plant and Equipment.
- Kern Delta invested in land for recharge facilities in the amount of \$911,000. Additionally, new construction on recharge facilities amounted to \$62,000.
- These additions to Capital Assets were offset by the annual provision for Depreciation Expense of (\$1,548,000).

Debt

Table D
Debt
December 31, 2020 and 2019
(amounts in thousands)

	2020	2019	Variance 2020 vs. 2019
Bonds	\$ 4,152	\$ 4,385	\$ (233)

Bonded debt decreased \$233,000 during the year ended December 31, 2020. Additional principal payments of \$215,000 were paid as agreed for the 2015A Certificates of Participation (COP). Amortization of bond premium reduced Kern Delta's debt further by \$18,000.

Contacting the District's Management

This financial report is designed to provide our customers and creditors with a general overview of Kern Delta's finances and to demonstrate Kern Delta's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Kern Delta at 501 Taft Highway, Bakersfield, CA 93307.

BASIC CONSOLIDATED FINANCIAL STATEMENTS

**KERN DELTA WATER DISTRICT
CONSOLIDATED STATEMENT OF NET POSITION
DECEMBER 31, 2020
WITH 2019 COMPARATIVE TOTALS**

	<u>2020</u>	<u>2019</u>
ASSETS		
CURRENT ASSETS		
Unrestricted Assets		
Cash and Investments	\$ 32,970,128	\$ 31,822,903
Receivables (Net of Allowance for Uncollectibles)		
Water Sales and Banking Activities	2,482,197	5,450,306
Taxes and Assessments	1,070,790	1,063,386
Interest	167,914	67,974
Prepaid Expenses	2,413,377	81,450
Inventory	<u>152,111</u>	<u>151,738</u>
TOTAL CURRENT ASSETS	<u>39,256,517</u>	<u>38,637,757</u>
Capital Assets, at Cost (Partially Pledged)	47,011,769	44,363,546
Less Accumulated Depreciation	<u>16,966,600</u>	<u>15,435,322</u>
	<u>30,045,169</u>	<u>28,928,224</u>
Investment in Joint Powers Authority	<u>11,480</u>	<u>17,482</u>
Restricted Assets		
Metropolitan Water District Program Facilities	<u>38,760,517</u>	<u>38,760,517</u>
TOTAL ASSETS	<u><u>\$ 108,073,683</u></u>	<u><u>\$ 106,343,980</u></u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 426,530	\$ 601,383
Interest Payable	12,163	12,879
Future Assessment Revenue	1,011,378	1,096,210
Current Portion of Long-Term Debt	<u>237,430</u>	<u>233,457</u>
TOTAL CURRENT LIABILITIES	<u>1,687,501</u>	<u>1,943,929</u>
LONG-TERM DEBT		
2015A Certificates of Participation, Plus Premium of \$136,695 - 2020 and \$155,152 - 2019	<u>3,914,265</u>	<u>4,151,695</u>
TOTAL LONG-TERM DEBT	<u>3,914,265</u>	<u>4,151,695</u>
TOTAL LIABILITIES	<u>5,601,766</u>	<u>6,095,624</u>
NET POSITION		
Net Investment in Capital Assets	25,893,474	24,543,072
Restricted for Metropolitan Water District Program	38,760,517	38,760,517
Unrestricted	<u>37,817,926</u>	<u>36,944,767</u>
TOTAL NET POSITION	<u>102,471,917</u>	<u>100,248,356</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 108,073,683</u></u>	<u><u>\$ 106,343,980</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

**KERN DELTA WATER DISTRICT
CONSOLIDATED STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2020
WITH 2019 COMPARATIVE TOTALS**

	<u>2020</u>	<u>2019</u>
OPERATING REVENUES		
Water Sales, Water Banking Fees, and Exchange Fees	\$ 7,410,889	\$ 14,494,652
OPERATING EXPENSES		
Source of Supply	5,671,344	5,298,036
Transmission and Distribution	2,183,055	2,263,638
Administration and General	2,637,474	2,322,549
Depreciation	1,548,124	1,444,979
Taxes	6,667	6,546
TOTAL OPERATING EXPENSES	<u>12,046,664</u>	<u>11,335,748</u>
Operating Income (Loss)	<u>(4,635,775)</u>	<u>3,158,904</u>
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	699,724	672,369
Property Taxes	5,059,340	4,739,649
Property Assessments	1,022,185	1,020,695
Gain on Disposition of Property	5,000	36,900
Other Nonoperating Revenues	252,858	188,945
Other Nonoperating Expenses	(44,821)	(4,031)
Interest Expense	<u>(134,950)</u>	<u>(142,435)</u>
Nonoperating Revenues, Net	<u>6,859,336</u>	<u>6,512,092</u>
Change in Net Position	2,223,561	9,670,996
Net Position, Beginning of Year	<u>100,248,356</u>	<u>90,577,360</u>
Net Position, End of Year	<u><u>\$ 102,471,917</u></u>	<u><u>\$ 100,248,356</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

**KERN DELTA WATER DISTRICT
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020
WITH 2019 COMPARATIVE TOTALS**

	Year Ended December 31,	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	\$ 10,378,998	\$ 9,783,930
Cash Payments to Employees	(1,969,265)	(1,969,265)
Cash Payments to Suppliers for Operations	(8,029,625)	(7,491,916)
Other Operating Cash Receipts and Disbursements, Net	<u>(3,006,803)</u>	<u>(125,663)</u>
Net Cash Provided (Used) by Operating Activities	<u>(2,626,695)</u>	<u>197,086</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	599,784	604,395
Investment in Joint Powers Authority	<u>6,002</u>	<u>(5,180)</u>
Net Cash Provided by Investing Activities	<u>605,786</u>	<u>599,215</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Acquisition of Capital Assets	(2,660,069)	(2,198,142)
Property Rentals and Developer Fees	208,037	184,914
Principal Payments on Long-Term Debt	(233,457)	(229,461)
Interest Paid Net of Bond Amortizations	<u>(135,666)</u>	<u>(143,135)</u>
Net Cash Used by Capital Financing Activities	<u>(2,821,155)</u>	<u>(2,385,824)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Property Taxes Collected	5,051,936	4,660,958
Assessments Collected	<u>937,353</u>	<u>919,226</u>
Net Cash Provided by Noncapital Financing Activities	<u>5,989,289</u>	<u>5,580,184</u>
Net Increase in Cash and Investments	1,147,225	3,990,661
Cash and Investments at Beginning of Year	<u>31,822,903</u>	<u>27,832,242</u>
Cash and Investments at End of Year	<u>\$ 32,970,128</u>	<u>\$ 31,822,903</u>

The accompanying notes are an integral part of these consolidated financial statements.

**KERN DELTA WATER DISTRICT
CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2020
WITH 2019 COMPARATIVE TOTALS**

	Year Ended December 31,	
	2020	2019
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (4,635,775)	\$ 3,158,904
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Depreciation	1,548,124	1,444,979
Changes in Assets and Liabilities		
(Increase) Decrease in:		
Accounts Receivable	2,968,109	(4,710,722)
Prepaid Expenses and Inventory	(2,332,300)	152,163
Increase (Decrease) in:		
Accounts Payable and Accrued Expenses	(174,853)	151,762
Net Cash Provided (Used) by Operating Activities	<u>\$ (2,626,695)</u>	<u>\$ 197,086</u>

The accompanying notes are an integral part of these consolidated financial statements.

**KERN DELTA WATER DISTRICT
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020
WITH 2019 COMPARATIVE TOTALS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization and District Activities

Kern Delta Water District (the District), comprising approximately 128,958 acres of land of which 116,997 acres are assessed, was formed December 29, 1965, pursuant to Division 13 of the Water Code of the State of California. The District is governed by a nine-member Board of Directors whose members are elected by geographic divisions. Its purpose was, and is, to obtain a supply of water for irrigation of farmlands located within the boundaries of the District.

The accounting and reporting policies of the District conform in all material respects to accounting principles generally accepted in the United States of America applicable to governmental enterprise funds.

B. Reporting Entity

The District has no oversight responsibility for any other governmental entity nor is the District's operation a component unit of any other governmental entity. Therefore, the reporting entity consists only of District operations. The District's operations include the operations of the Kern Delta Water Banking Project (the Banking Project). Financial reporting of the Banking Project is separate from the financial reporting of the District for internal tracking and monitoring purposes. The audited financial reports contained herein show the consolidated annual financial results of the District and the Banking Project combined.

C. Basis of Presentation

Basic consolidated financial statement presentation follows the recommendations promulgated by the Governmental Accounting Standards Board (GASB) commonly referred to as accounting principles generally accepted in the United States of America (U.S. GAAP). GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting standards.

D. Measurement Focus, Basis of Accounting, and Consolidated Financial Statement Presentation

Measurement focus is a term used to describe "which" transactions are recorded within the various consolidated financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied. The accompanying consolidated financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Under the economic resources measurement focus, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) associated with these activities are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position presents increases (revenue) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

In accordance with GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, the Statement of Net Position reports separate sections for Deferred Outflows of Resources and Deferred Inflows of Resources, when applicable.

Deferred Outflows of Resources represent outflows of resources (consumption of net position) that apply to future periods and that, therefore, will not be recognized as an expense until that time.

Deferred Inflows of Resources represent inflows of resources (acquisition of net position) that apply to future periods and that, therefore, are not recognized as revenues until that time.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Operating Revenues and Expenses

Operating revenues, such as charges for services (water sales, service fees, or exchange fees), result from exchange transactions associated with the principal activity of the District. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as sale of assets and investment income, result from nonexchange transactions or ancillary activities in which the District receives value without directly giving equal value in exchange. Operating expenses include the cost of sales and service, administrative expenses, and depreciation on capital assets. All expenses not meeting this definition are reported as nonoperating expenses.

F. Establishment of Revenue

Income is generated from the sale of irrigation water to users within the District and the levy of a general and administrative fee and a Zone of Benefit charge based upon acreage. Property assessments are levied annually in December and are due on December 31. Assessments become delinquent if not paid by June 30 of the following year. The Board of Directors determines water rates, administrative fees, and Zone of Benefit charges annually.

G. Budget

Although a budget is adopted annually, it is used primarily as a guideline for the Board of Directors in regulation of expenditures. The budget is prepared on a modified cash basis of accounting. There is no legal compulsion to stay within the adopted budget in the payment or classification of expenditures.

H. Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Short-term investments include the pooled cash with the Kern County Treasury in the Kern County Investment Fund.

I. Capital Assets

Capital assets are stated at cost less accumulated depreciation. The depreciation charged is on the straight-line method over the estimated useful lives as follows:

Transmission Facilities	60 Years
Gates, Weirs, etc.	25 Years
General Plant	4 to 10 Years

Repairs and maintenance are recorded as an expense. Renewals and betterments are capitalized. Gains and losses on dispositions are included in income in the year of disposition.

J. Investments

All investments are stated at fair value, except for money market investments that have a remaining maturity of less than one year when purchased, which are stated at amortized cost. Money market investments are short-term, highly liquid debt instruments including commercial paper, bankers' acceptances, and U.S. Treasury and Agency obligations. Fair value is the value at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

K. Concentration of Credit Risk

Credit has and will be extended, in the form of accounts receivable, to landowners and water purchasers who are located primarily in the District's service area.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Property Taxes

Kern County property taxes attach as an enforceable lien on property as of March 1. Taxes are levied on July 1 and are due and payable in two installments, on November 15 and March 15. Unsecured property taxes are payable in one installment on or before August 31. The County of Kern bills and collects the taxes as a part of the 1% countywide property tax levy and subsequently distributes a portion of the levy to the District. Property taxes are recognized as revenue when they are appropriated to the District by Kern County.

No allowance for doubtful accounts was considered necessary.

M. Use of Estimates

The preparation of basic consolidated financial statements in conformity with U.S. GAAP includes amounts that are based on management's best estimates and judgments. Accordingly, actual results could differ from the estimates.

N. Compensated Absences

Vested or accumulated vacation leave and benefits are recorded as an expense and a liability as the benefits accrue to employees. Vacation pay accruals generally do not exceed the amount earned for one year; however, an employee may accumulate vacation time earned, but not more than 240 hours.

O. Net Position

In the Statement of Net Position, net position is classified in the following categories:

Net Investment in Capital Assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets.

Restricted Net Position – These amounts are restricted by external creditors, grantors, laws, or regulations of other governments.

Unrestricted Net Position – This amount is all items that do not meet the definition of "net investment in capital assets" or "restricted assets."

P. Long-Term Debt

Discounts or premiums on bonded debt issues are amortized to interest expense over the respective lives of the bonded debt. When debt has been refunded in a transaction accounted for as an in-substance defeasance, the deferred amount on refunding is recorded as an offset against the bond liability and is amortized to interest expense over the life of the defeased debt.

Q. Governmental Accounting Standards Update

During the year ended December 31, 2020, the District implemented the following standards:

GASB Statement No. 95 – *Postponement of the Effective Dates of Certain Authoritative Guidance*. The requirements of this statement were effective starting May 2020, when the statement was issued. The effective dates of GASB Statement Nos. 87, 89, 91, and 92 were amended as noted below.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Governmental Accounting Standards Update (Continued)

Recently released standards by GASB affecting future years are as follows:

GASB Statement No. 87 – Leases. The requirements of this statement were originally effective for reporting periods beginning after December 15, 2019. Upon issuance of GASB Statement No. 95, this statement is now effective for reporting periods beginning after June 15, 2021. The District has not fully judged the impact of implementation of GASB Statement No. 87 on the consolidated financial statements.

GASB Statement No. 89 – Accounting for Interest Cost Incurred Before the End of a Construction Period. The requirements of this statement were originally effective for reporting periods beginning after December 15, 2019. Upon issuance of GASB Statement No. 95, this statement is now effective for reporting periods beginning after December 15, 2020. The District has not fully judged the impact of implementation of GASB Statement No. 89 on the consolidated financial statements.

GASB Statement No. 91 – Conduit Debt Obligations. The requirements of this statement were originally effective for reporting periods beginning after December 15, 2020. Upon issuance of GASB Statement No. 95, this statement is now effective for reporting periods beginning after December 15, 2021. The District has not fully judged the impact of the implementation of GASB Statement No. 91 on the consolidated financial statements.

GASB Statement No. 92 – Omnibus 2020. The requirements of this statement were originally effective for reporting periods beginning after June 15, 2020. Upon issuance of GASB Statement No. 95, this statement is now effective for reporting periods beginning after June 15, 2021. The District has not fully judged the impact of the implementation of GASB Statement No. 92 on the consolidated financial statements.

GASB Statement No. 93 – Replacement of Interbank Offered Rates. The majority of the requirements of this statement are effective for reporting periods beginning after June 15, 2020, with some requirements becoming effective at a later date. The District has not fully judged the impact of the implementation of GASB Statement No. 93 on the consolidated financial statements.

GASB Statement No. 94 – Public-Private and Public-Public Partnerships and Availability Payment Arrangements. The requirements of this statement are effective for reporting periods beginning after June 15, 2022. The District has not fully judged the impact of the implementation of GASB Statement No. 94 on the consolidated financial statements.

GASB Statement No. 96 – Subscription-Based Information Technology Arrangements. The requirements of this statement are effective for reporting periods beginning after June 15, 2022. The District has not fully judged the impact of the implementation of GASB Statement No. 96 on the consolidated financial statements.

GASB Statement No. 97 – Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. The requirements of this statement are effective for reporting periods beginning after June 15, 2021. The District has not fully judged the impact of the implementation of GASB Statement No. 97 on the consolidated financial statements.

NOTE 2 – CASH AND INVESTMENTS

The District has the following cash and investments at December 31:

	<u>2020</u>	<u>2019</u>
Deposits:		
Demand Deposits	<u>\$ 1,019,429</u>	<u>\$ 3,363,763</u>
Investments:		
Money Market Fund	1,000,000	3,000,000
Kern County Investment Fund	<u>30,950,699</u>	<u>25,459,140</u>
Total Investments	<u>31,950,699</u>	<u>28,459,140</u>
Total	<u><u>\$ 32,970,128</u></u>	<u><u>\$ 31,822,903</u></u>

Cash Deposits

The carrying amounts of the District's cash deposits were \$1,019,429 and \$3,363,763 at December 31, 2020 and 2019, respectively. Bank balances at December 31, 2020 and 2019, were \$2,009,904 and \$3,781,869, respectively, which were fully insured and/or collateralized with securities held by the pledging financial institutions in the District's name as discussed below.

The State of California Government Code and the District's investment policy authorize investments in obligations of the U.S. Treasury, its agencies, and instrumentalities; commercial paper; bankers' acceptances; repurchase agreements; and the State of California Local Agency Investment Fund.

Under the California Government Code, a financial institution is required to secure deposits in excess of \$100,000 made by state or local government units by pledging securities held in the form of an undivided collateral pool. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by public agencies. Cash funds deposited with banks and credit unions are insured by Federal depository insurance. Any excess deposits are collateralized 110% with securities held by the bank or credit union in the District's name. This code states the collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, the collateral for cash deposits is considered to be held in the District's name.

Investments

Under the provisions of the District's investment policy and in accordance with Section 53601 of the California Government Code, the following investments are authorized:

- Securities of the U.S. Government, or its Agencies
- Time Deposits
- Bankers' Acceptances
- Repurchase Agreements
- Commercial Paper
- Local Agency Investment Fund

At December 31, 2020, the District had \$30,950,699 invested with the Kern County Investment Fund. The Kern County Investment Fund fair value factor of 1.0139247707 was used to calculate the fair value of the investments for 2020. At December 31, 2019, the District had \$25,459,140 invested with the Kern County Investment Fund. The Kern County Investment Fund fair value factor of 1.0087814055 was used to calculate the fair value of the investments for 2019.

NOTE 2 – CASH AND INVESTMENTS (Continued)

Investments (Continued)

Fair Value Measurements

The District categorizes its fair value measurements within the framework established by GASB Statement No. 72, *Fair Value Measurement and Application*. That framework provides a three-tiered fair value hierarchy as follows:

Level 1 – reflects unadjusted quoted prices in active markets for identical assets.

Level 2 – reflects inputs that are based on a similar observable asset either directly or indirectly.

Level 3 – reflects unobservable inputs.

The District has no recurring fair value measurements as of December 31, 2020.

	<u>2020</u>	<u>2019</u>
Investments Measured at Amortized Cost		
Kern County Investment Fund	\$ 30,950,699	\$ 25,459,140
Money Market Fund	<u>1,000,000</u>	<u>3,000,000</u>
Total Investments Measured at Amortized Cost	<u>\$ 31,950,699</u>	<u>\$ 28,459,140</u>

Kern County Investment Fund Income and Participant Withdrawals

Kern County Investment Fund investments are accounted for in accordance with the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, which requires governmental entities to report certain investments at fair value in the Statement of Net Position and recognize the corresponding change in value of investments in the year in which the change occurred. The value of the participant's shares in the Kern County Investment Fund that may be withdrawn is determined on an amortized cost basis, which is different from the fair value of the participant's position in the Kern County Investment Fund. The fair value fluctuates with interest rates, and increasing rates could cause the value to decline below original cost; however, Kern County management believes the liquidity in the portfolio is more than adequate to meet cash flow requirements and to preclude Kern County from having to sell investments below original cost for that purpose.

Risk Disclosure

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy limits investments to a maximum of five years. At December 31, 2020 and 2019, the District had the following investment maturities:

Kern County Investment Fund, \$30,950,699 and \$25,459,140 as of December 31, 2020 and 2019, respectively. The maturity date of the Kern County Investment Fund is less than one year.

Credit Risk

State law limits investments in commercial paper and corporate bonds to the top two ratings issued by the nationally recognized statistical rating organizations (NRSROs).

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Of the District's investments, \$0 of the securities at December 31, 2020 and 2019, were held by an investments counterparty, not in the name of the District. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as the Kern County Investment Fund).

NOTE 3 – CAPITAL ASSETS

Land, structures and improvements, and machinery and equipment are stated at cost.

	Balance December 31, 2019	Additions	Deletions	Balance December 31, 2020
Capital Assets, Not Being Depreciated				
Land	\$ 4,063,567	\$ 3,623	\$ -	\$ 4,067,190
Construction in Progress	-	1,655,166	-	1,655,166
Total Capital Assets, Not Being Depreciated	4,063,567	1,658,789	-	5,722,356
Capital Assets, Being Depreciated				
Transmission and Distribution	16,587,269	3,791	-	16,591,060
General Assets	3,155,453	104,774	(92,799)	3,167,428
Water Banking Facilities	20,557,257	973,668	-	21,530,925
Total Capital Assets, Being Depreciated	40,299,979	1,082,233	(92,799)	41,289,413
Less Accumulated Depreciation	(15,435,322)	(1,548,124)	16,846	(16,966,600)
Total Capital Assets, Being Depreciated, Net	24,864,657	(465,891)	(75,953)	24,322,813
Total	\$ 28,928,224	\$ 1,192,898	\$ (75,953)	\$ 30,045,169

Depreciation expense was \$1,548,124 for the year ended December 31, 2020.

	Balance December 31, 2018	Additions	Deletions	Balance December 31, 2019
Capital Assets, Not Being Depreciated				
Land	\$ 2,411,285	\$ 1,652,282	\$ -	\$ 4,063,567
Capital Assets, Being Depreciated				
Transmission and Distribution	16,570,004	17,265	-	16,587,269
General Assets	3,093,626	337,832	(276,005)	3,155,453
Water Banking Facilities	20,329,594	227,663	-	20,557,257
Total Capital Assets, Being Depreciated	39,993,224	582,760	(276,005)	40,299,979
Less Accumulated Depreciation	(14,266,348)	(1,444,979)	276,005	(15,435,322)
Total Capital Assets, Being Depreciated, Net	25,726,876	(862,219)	-	24,864,657
Total	\$ 28,138,161	\$ 790,063	\$ -	\$ 28,928,224

Depreciation expense was \$1,444,979 for the year ended December 31, 2019.

NOTE 4 – RESTRICTED ASSETS**Metropolitan Water District Program**

Per the amended agreement dated December 21, 2004, the District is required to hold in trust the following items:

	2020	2019
Metropolitan Water District - Transportation Facilities Trust Property	\$ 38,760,517	\$ 38,760,517

NOTE 5 – LONG-TERM DEBT

Long-term debt activity for the year ended December 31, 2020, was as follows:

	Balance December 31, 2019	Additions	Reductions	Balance December 31, 2020	Due Within One Year
Certificates of Participation, Series 2015A	\$ 4,230,000	\$ -	\$ (215,000)	\$ 4,015,000	\$ 220,000
Unamortized Bond Premium	155,152	-	(18,457)	136,695	17,430
	<u>\$ 4,385,152</u>	<u>\$ -</u>	<u>\$ (233,457)</u>	<u>\$ 4,151,695</u>	<u>\$ 237,430</u>

Long-term debt activity for the year ended December 31, 2019, was as follows:

	Balance December 31, 2018	Additions	Reductions	Balance December 31, 2019	Due Within One Year
Certificates of Participation, Series 2015A	\$ 4,440,000	\$ -	\$ (210,000)	\$ 4,230,000	\$ 215,000
Unamortized Bond Premium	174,613	-	(19,461)	155,152	18,457
	<u>\$ 4,614,613</u>	<u>\$ -</u>	<u>\$ (229,461)</u>	<u>\$ 4,385,152</u>	<u>\$ 233,457</u>

The annual requirements to amortize principal and interest on long-term debt are as follows:

Year Ending December 31,	Principal	Interest	Total Debt Service
2021	\$ 220,000	\$ 145,950	\$ 365,950
2022	230,000	137,150	367,150
2023	240,000	127,950	367,950
2024	250,000	118,350	368,350
2025	260,000	108,350	368,350
2026-2030	1,455,000	385,575	1,840,575
2031-2034	<u>1,360,000</u>	<u>121,275</u>	<u>1,481,275</u>
Totals	4,015,000	1,144,600	5,159,600
Plus Unamortized Premium	<u>136,695</u>	<u>-</u>	<u>136,695</u>
Totals	<u>\$ 4,151,695</u>	<u>\$ 1,144,600</u>	<u>\$ 5,296,295</u>

For the years ended December 31, 2020 and 2019, the District expended cash of \$134,950 and \$142,435 for interest expense, respectively. The District did not capitalize any interest expense during 2020 and 2019.

Certificates of Participation – Series 2015A

On April 15, 2015, the District refunded its 2005 Certificates of Participation. The purpose of the refunding was to reduce the interest expense paid over the term of the certificates. The District reduced its debt service by approximately \$923,262 and obtained an economic gain (difference between the present values of the old and new debt service payments) of approximately \$688,514.

Interest is payable semi-annually on June 1 and December 1. The Certificates of Participation will fully mature on December 1, 2034. Interest rates range from 3.0% to 4.0%.

The District has covenanted that it shall fix, prescribe, revise, and collect rates, fees, and charges for the service and facilities furnished by the water system during each fiscal year, which are at least sufficient, after making allowances for contingencies and error in the estimates, to yield revenue sufficient to pay (a) maintenance and operations of the water system, (b) installment payments of this obligation, and (c) any other obligations of the District.

NOTE 6 – DEFINED CONTRIBUTION PLAN

The District sponsors a defined contribution pension plan covering all employees satisfying a minimum number of hours of employment and years of service. The District contributes 6% of all eligible employees' gross wages. In addition, the District will match an additional 3% of gross wages if the employee elects to make a contribution of 3%. The District's contribution for the years ended December 31, 2020 and 2019, was \$207,631 and \$163,784, respectively.

NOTE 7 – RELATED PARTY TRANSACTIONS

The District sells water to and collects assessments from members of the Board of Directors and to/from businesses that they control or by which they are employed. Total combined collections from these related parties amounted to 39.6% and 27.0% of total revenue for years ended December 31, 2020 and 2019, respectively.

NOTE 8 – RISK MANAGEMENT

The District is a member of the Association of California Water Agencies/Joint Powers Insurance Authority (JPIA). The JPIA's members have pooled funds to be self-insured for liability, property, and workers' compensation insurance. The District participates in the liability and property programs. The liability policy also covers public official errors and omissions. The District is billed a deposit premium each year by JPIA. The deposit premium is placed in a reserve fund to cover the self-insurance portion of any claims. If actual claims and expected settlements exceed the reserve fund at the year-end, an additional premium may be billed to the member Districts. When all claims relating to a specific year are settled, any remaining amounts in the reserve are refunded to the District.

The general liability, automobile, and public official's policy provides for a \$1,000 deductible with a \$1,000,000 JPIA self-insurance limit and \$59,000,000 excess coverage. The property insurance has \$1,000 deductible with a \$50,000 JPIA self-insurance limit and \$100,000,000 excess coverage. The property policy includes fidelity coverage with a limit of \$100,000.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Legal Issues

The District has been a party to various matters of litigation concerning water rights, water utilization, water banking, water extraction, and California Environmental Quality Act (CEQA) filings. There are no such matters pending at this time. It is the opinion of the District's legal counsel and the District's management that resolution of those matters has not had a material adverse effect on the financial condition of the District.

Insurance Claim

Various claims for personal injuries and property damage have been filed against the District from time to time. All claims have been referred to the District's insurance carrier and it would appear that the District will not suffer any direct financial loss or defense costs. The District's insurance carrier is the JPIA, a cooperative insurance agency. What effects, if any, these claims will have on the District's premiums for insurance coverage are not known.

Water Exchange Agreement

The District consummated a long-term Water Exchange Agreement with Buena Vista Water Storage District for the exchange of California Aqueduct water for Kern River water. The District agreed to pay Buena Vista Water Storage District an exchange fee of \$5 per acre-foot of water exchanged.

NOTE 9 – COMMITMENTS AND CONTINGENCIES (Continued)

Kern County Water Agency

The District contracts for State Project water through the Kern County Water Agency. The payments for delivery of the water are due on January 1 and July 1 of each year. The District's financial commitment for the semi-annual payments are required even if the District receives no deliveries from the State Project. The agreement specifies 25,500 acre-feet of "firm" water and 4,500 acre-feet of "surplus" water. The District recorded expenditures for its annual obligation (net of adjustments) totaling \$2,492,862 for 2020 and \$2,355,366 for 2019. Since the Kern County Water Agency's total costs for the future years is not known, the District's share of those costs cannot be determined and are not disclosed. In 2020 and 2019, the District received 5,100 acre-feet and 22,661 acre-feet, respectively, from the State Project.

Water Supply

The major source of operating revenues to the District is the sale of Kern River water. The annual water supply is determined by the rain and snowfall within the Kern River drainage system. Therefore, the District's ability to generate revenues is dependent upon the natural flow of the Kern River which cannot be predicted or guaranteed.

NOTE 10 – WATER IN STORAGE

The District is a participant in the Pioneer Project, which was established to store water in the underground aquifer and to replenish the water table under the south valley. As of December 31, 2020 and 2019, the District has percolated 73,078 acre-feet of water into its overdraft account which is not abandoned and can be withdrawn at the end of the agreement's term. Additionally, the District has stored in its banking account 23,285 acre-feet of water. The water in the banking account may be withdrawn at the District's discretion. Additionally, the District has stored 25,773 acre-feet of water in other water districts' banking facilities.

NOTE 11 – WATER BANKING PROGRAMS

The District has executed two water banking and management agreements with two water districts. The agreements terminate in 2025 and 2035. The District has agreed to store water and return water over the term of the agreements. Numerous contractual conditions and limitations specify the annual storage and extraction of water. As of December 31, 2020 and 2019, the District had water in storage of 190,738 acre-feet and 207,468 are-feet, respectively.

NOTE 12 – IN-DISTRICT RECHARGE WATER

The District has historically acted as a conjunctive use District in that, in addition to supplying a surface water supply to landowners within the District (District Lands), the District also banks and augments groundwater supplies for beneficial use by such District Lands. This groundwater banking and augmentation occurs through intentional recharge operations using various water banking facilities, in lieu banking, and operational recharge using unlined canals. For example, during the 2020 and 2019 calendar years, the District banked 49,397 acre-feet and 68,320 acre-feet of water, respectively, as operational recharge using unlined canals and directly banked 9,886 acre-feet and 11,802 acre-feet, respectively, to the benefit of District Lands.

NOTE 13 – SUBSEQUENT EVENTS

In preparing these consolidated financial statements, the District has evaluated events and transactions for potential recognition or disclosure through July 28, 2021, the date the consolidated financial statements were available to be issued.

**KERN DELTA WATER DISTRICT
CONSOLIDATING STATEMENT OF NET POSITION
DECEMBER 31, 2020**

	Kern Delta Water District	Kern Delta Water Banking Project	Eliminations	Consolidated
ASSETS				
CURRENT ASSETS				
Unrestricted Assets				
Cash and Investments	\$ 20,322,492	\$ 12,647,636	\$ -	\$ 32,970,128
Receivables (Net of Allowance for Uncollectibles)				
Water Sales and Banking Activities	268,745	2,213,452	-	2,482,197
Taxes and Assessments	1,070,790	-	-	1,070,790
Interest	103,035	64,879	-	167,914
Due from Kern Delta Water Banking Project	112,180	-	(112,180)	-
Prepaid Expenses	2,183,546	229,831	-	2,413,377
Inventory	49,997	102,114	-	152,111
TOTAL CURRENT ASSETS	24,110,785	15,257,912	(112,180)	39,256,517
Capital Assets, at Cost (Partially Pledged)	25,480,844	21,530,925	-	47,011,769
Less Accumulated Depreciation	6,626,569	10,340,031	-	16,966,600
	18,854,275	11,190,894	-	30,045,169
Investment in Joint Powers Authority	8,901,610	-	(8,890,130)	11,480
Restricted Assets				
Metropolitan Water District Program Facilities	-	38,760,517	-	38,760,517
TOTAL ASSETS	\$ 51,866,670	\$ 65,209,323	\$ (9,002,310)	\$ 108,073,683
LIABILITIES				
CURRENT LIABILITIES				
Accounts Payable and Accrued Expenses	\$ 422,135	\$ 4,395	\$ -	\$ 426,530
Interest Payable	12,163	-	-	12,163
Future Assessment Revenue	1,011,378	-	-	1,011,378
Due to Kern Delta Water District	-	112,180	(112,180)	-
Current Portion of Long-Term Debt	237,430	-	-	237,430
TOTAL CURRENT LIABILITIES	1,683,106	116,575	(112,180)	1,687,501
LONG-TERM DEBT				
2015A Certificates of Participation, Plus Premium of \$136,695 - 2020 and \$155,152 - 2019	3,914,265	-	-	3,914,265
TOTAL LONG-TERM DEBT	3,914,265	-	-	3,914,265
TOTAL LIABILITIES	5,597,371	116,575	(112,180)	5,601,766
NET POSITION				
Net Investment in Capital Assets	14,702,580	11,190,894	-	25,893,474
Capital Investment	-	8,890,130	(8,890,130)	-
Restricted for Metropolitan Water District Program	-	38,760,517	-	38,760,517
Unrestricted	31,566,719	6,251,207	-	37,817,926
TOTAL NET POSITION	46,269,299	65,092,748	(8,890,130)	102,471,917
TOTAL LIABILITIES AND NET POSITION	\$ 51,866,670	\$ 65,209,323	\$ (9,002,310)	\$ 108,073,683

**KERN DELTA WATER DISTRICT
CONSOLIDATING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2020**

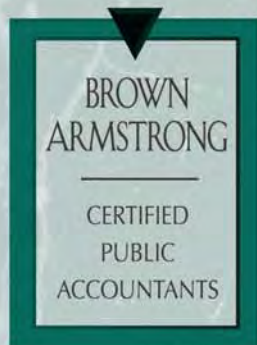
	Kern Delta Water District	Kern Delta Water Banking Project	Eliminations	Consolidated
OPERATING REVENUES				
Water Sales, Water Banking Fees, and Exchange Fees	\$ 4,304,765	\$ 3,106,124	\$ -	\$ 7,410,889
OPERATING EXPENSES				
Source of Supply	3,755,252	1,916,092	-	5,671,344
Transmission and Distribution	2,183,055	-	-	2,183,055
Administration and General	2,637,474	-	-	2,637,474
Depreciation	435,577	1,112,547	-	1,548,124
Taxes	6,667	-	-	6,667
TOTAL OPERATING EXPENSES	9,018,025	3,028,639	-	12,046,664
Operating Income (Loss)	(4,713,260)	77,485	-	(4,635,775)
NONOPERATING REVENUES (EXPENSES)				
Interest Revenue	451,501	248,223	-	699,724
Property Taxes	5,059,340	-	-	5,059,340
Property Assessments	1,022,185	-	-	1,022,185
Gain on Disposition of Property	5,000	-	-	5,000
Other Nonoperating Revenues	252,858	-	-	252,858
Other Nonoperating Expenses	(44,821)	-	-	(44,821)
Interest Expense	(134,950)	-	-	(134,950)
Nonoperating Revenues, Net	6,611,113	248,223	-	6,859,336
Change in Net Position	1,897,853	325,708	-	2,223,561
Net Position, Beginning of Year	44,371,446	64,767,040	(8,890,130)	100,248,356
Net Position, End of Year	\$ 46,269,299	\$ 65,092,748	\$ (8,890,130)	\$ 102,471,917

**KERN DELTA WATER DISTRICT
CONSOLIDATING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Kern Delta Water District	Kern Delta Water Banking Project	Eliminations	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	\$ 4,601,588	\$ 913,265	\$ 4,864,145	\$ 10,378,998
Cash Payments to Employees	(1,969,265)	-	-	(1,969,265)
Cash Payments to Suppliers for Operations	(5,836,092)	2,670,612	(4,864,145)	(8,029,625)
Other Operating Cash Receipts and Disbursements, Net	(2,776,972)	(229,831)	-	(3,006,803)
Net Cash Provided (Used) by Operating Activities	(5,980,741)	3,354,046	-	(2,626,695)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	380,155	219,629	-	599,784
Investment in Joint Powers Authority	6,002	-	-	6,002
Net Cash Provided by Investing Activities	386,157	219,629	-	605,786
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES				
Acquisition of Capital Assets	(1,686,395)	(973,674)	-	(2,660,069)
Property Rentals and Developer Fees	208,037	-	-	208,037
Principal Payments on Long-Term Debt	(233,457)	-	-	(233,457)
Interest Paid Net of Bond Amortizations	(135,666)	-	-	(135,666)
Net Cash Used by Capital Financing Activities	(1,847,481)	(973,674)	-	(2,821,155)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Property Taxes Collected	5,051,936	-	-	5,051,936
Assessments Collected	937,353	-	-	937,353
Net Cash Provided by Noncapital Financing Activities	5,989,289	-	-	5,989,289
Net Increase (Decrease) in Cash and Investments	(1,452,776)	2,600,001	-	1,147,225
Cash and Investments at Beginning of Year	21,775,268	10,047,635	-	31,822,903
Cash and Investments at End of Year	\$ 20,322,492	\$ 12,647,636	\$ -	\$ 32,970,128

**KERN DELTA WATER DISTRICT
CONSOLIDATING STATEMENT OF CASH FLOWS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Kern Delta Water District</u>	<u>Kern Delta Water Banking Project</u>	<u>Eliminations</u>	<u>Consolidated</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ (4,713,260)	\$ 77,485	\$ -	\$ (4,635,775)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Depreciation	435,577	1,112,547	-	1,548,124
Changes in Assets and Liabilities				
(Increase) Decrease in:				
Accounts Receivable	296,823	(2,192,859)	4,864,145	2,968,109
Prepaid Expenses and Inventory	(2,095,191)	(237,109)	-	(2,332,300)
Due To/From Related Parties	135,364	4,728,781	(4,864,145)	-
Increase (Decrease) in:				
Accounts Payable and Accrued Expenses	(40,054)	(134,799)	-	(174,853)
Net Cash Provided (Used) by Operating Activities	<u>\$ (5,980,741)</u>	<u>\$ 3,354,046</u>	<u>\$ -</u>	<u>\$ (2,626,695)</u>



BROWN ARMSTRONG

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Kern Delta Water District
Bakersfield, California

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We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of the District as of and for the year ended December 31, 2020, and the related notes to the consolidated financial statements, which collectively comprise the District's basic consolidated financial statements, and have issued our report thereon dated July 28, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the basic consolidated financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

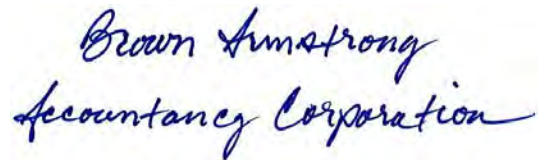
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's basic consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

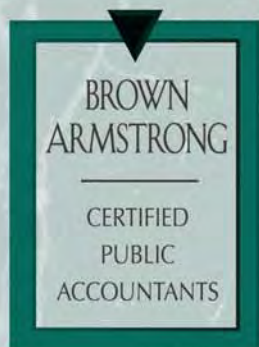
Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive, flowing style.

Bakersfield, California
July 28, 2021



BROWN ARMSTRONG

Certified Public Accountants

Board of Directors
Kern Delta Water District
Bakersfield, California

We have audited the consolidated financial statements of Kern Delta Water District (the District) as of and for the year ended December 31, 2020, and the related notes to the consolidated financial statements. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 30, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the consolidated financial statements. The District adopted Governmental Accounting Standards Board (GASB) Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, during the year ended December 31, 2020. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the consolidated financial statements in the proper period.

Accounting estimates are an integral part of the consolidated financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the consolidated financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the District's consolidated financial statements was:

Management's estimate of the groundwater inventory balance is based on historical cost. We evaluated the key factors and assumptions used to develop the historical cost in determining that it is reasonable in relation to the consolidated financial statements taken as a whole.

Certain consolidated financial statement disclosures are particularly sensitive because of their significance to consolidated financial statement users. The most sensitive disclosure affecting the consolidated financial statements was:

The disclosure of commitments and contingencies in Note 9 to the consolidated financial statements.

The consolidated financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

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Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no such misstatements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the consolidated financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 28, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's consolidated financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to Management Discussion and Analysis (MD&A), which is required supplementary information (RSI) that supplements the basic consolidated financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic consolidated financial statements, and other knowledge we obtained during our audit of the basic consolidated financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the consolidating financial statements, which accompany the consolidated financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the consolidated financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the consolidated financial statements or to the consolidated financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of Board of Directors and management of Kern Delta Water District and is not intended to be, and should not be, used by anyone other than these specified parties.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
July 28, 2021

Tab IV





**OPERATIONS AND PROJECTS
COMMITTEE MEETING**

**501 Taft Highway
Bakersfield, CA**

**TUESDAY AUGUST 3, 2021
10:30 AM**

A G E N D A

- 1. Call to Order**
- 2. Public Comment Period**
- 3. Assistant General Manager's Report:**
 - a. Approve the minutes of the Operations and Projects Committee Meeting of June 1, 2021
 - b. Encroachment Permit Update
 - c. District Facility and Banking Maintenance Report
 - d. Water Banking Construction and Power Invoices
 - e. Travelling Screens Update
 - f. Sunset Basins Update
 - g. Old River Basins Update
- 4. Committee Comments**
- 5. Adjourn**

A handwritten signature in black ink that reads "Chris Bellue".

Chris Bellue
Assistant General Manager

Posted: Friday, July 30, 2021
Bakersfield, California

Requests for disability related modifications or accommodations, including auxiliary aids or services may be made by telephoning or contacting Madelyne Rodriguez at the District Office (661-834-4656). Please attempt to make such requests known at least 24 hours before the scheduled meeting. Pursuant to Government Code section 54957.5, any materials relating to an open session item on this agenda, distributed to the Board of Directors after the distribution of the agenda packet, will be made available for public inspection at the time of distribution at the District, 501 Taft Highway, Bakersfield, CA.



MINUTES OF THE OPERATIONS AND PROJECTS COMMITTEE
Tuesday, August 3, 2021

DIRECTORS PRESENT: Collins (phone), Kaiser, Mendonca, Spitzer

OTHERS PRESENT: From KDWD: General Manager Teglia, Water Resources Manager Mulkay, Assistant General Manager Bellue, Controller Duncan, General Counsel Iger, and Administrative Assistant Rodriguez

CALL TO ORDER

Chair Collins called the meeting to order at 10:34 A.M.

1. PUBLIC COMMENTS

None.

2. ASSISTANT GENERAL MANAGER'S REPORT:

- a. Approve minutes of the Operations and Projects Committee Meeting of June 1, 2021: M/S/C (Spitzer/Mendonca) (yes-4, no-0): The Committee approved the minutes of the Operations and Projects Committee meeting held on June 1, 2021.
- b. Encroachment Permit Update: Mr. Bellue presented one encroachment request, a request from American Construction & Excavation for the install of a storm drain across the Burness Ditch north of Taft Highway.
- c. District Facility and Banking Maintenance: Mr. Bellue discussed several items of note including an update on weed control on the Basins being performed by subcontractors, repairs of dilapidated turnouts, gates, and screens at various locations within the District. Also discussed, the upcoming evaluation of a leak on the 13 Ditch headgate and possible replacement.
- d. Water Banking Construction and Power Invoices: M/S/C (Mendonca/Spitzer) (yes-4, no-0): The Committee recommended the Board approve payment of Water Banking and Power Invoices totaling \$284,624.14 (plus additional PG&E well energy costs). See the attached August 17, 2021 Invoice and Disbursements memo to the Board for a full breakdown of the Invoices.
- e. Travelling Screens Update: Staff discussed the cost associated with installing two travelling screens that were purchased by the District several years ago. In addition, staff discussed potential revenue from the sale of said screens. At the direction of the committee, Staff will continue to research and bring back to the Committee additional information related to the installation of the traveling screens for review and discussion.
- f. Sunset Basins Update: Staff provided a status update on the Bid process for this item.
- g. Old River Basins – Conceptual Design: Staff provided a report regarding this item.

3. ADJOURN

Chair Collins adjourned the meeting at 11:35 A.M.

Respectfully submitted,

Donald Collins – Chair

Maintenance Report

July 2021

1. **Structure and Turnout Repairs.** The following jobs were completed during the month;
 - a. Repair Farmers and Central Canal wash-ins w/riprap and dirt hauled in from Bladder basin stockpile
 - b. Repair gearing at 3-20-40 weir slide gate on the Rim Ditch
 - c. Repair Turnouts 3-7-27, 5-0-165, 4-0-210 (rails and stems)
 - d. Replace meter register at 551 on Rim Ditch
2. **Shop.** The following jobs were completed during the month;
 - a. Normal service and repairs on District vehicles and equipment.
 - b. Repair air system conditioning on #322
 - c. Fuel and service Cat motor grader and John Deere tractor
 - d. Repair transmission servo on truck #210
 - e. Repair air conditioning system on truck #323
 - f. Repair brakes on truck #225
 - g. Repair hydraulic oil leak under platform on backhoe #402
3. **District Wells.**
 - a. Monthly service and inspection of all District wells to check dripper operation and clean well pads
 - b. Add dripper oil as needed
 - c. Turned off BV wells
4. **Motor Grader # 403** The following canals were sloped and roads graded;
 - a. Stine, Farmers and Smith Judd
5. **Backhoe # 402** The following jobs were completed during the month;
 - a. Assist in cleanout of debris on KI, Central, BV and Eastside
 - b. Repair gopher hole breaches and wash-ins on Central and Rim Ditch
6. **Backhoe # 404** The following jobs were completed this month;
 - a. Removed mattresses, debris, tumbleweeds, moss, brush and tires from Kern Island, Central, Branch 1, East Branch, Randal, Farmers, BV and Eastside Canals
7. **Weed Spraying.** The following canals were sprayed during the month;
 - a. Weeds were sprayed on KI, Branch 1, 13 Ditch, 18 N&S, Farmers, Central and Stine
8. **Aquatic Treatments.** Treatments including surface spraying for algae mats and injection treatments for control of algae or vascular aquatic weeds; treatments were made to BV, Central, Randal, Eastside, Farmers, 13 Ditch and Kern Island
9. **Rodent Control**
 - a. Bait Stations were checked and filled throughout the district this month
10. **Trash Removal.**
 - a. Daily cleaning of crossings, weirs, and screens on all canals

- b. Cleanup of discarded debris and turnout moss from canal banks of the BV, Stine, Central, East Branch, Kern Island & Branch 1. Both trash trucks were used to haul debris to the landfill.
 - c. Brush removal on Kern Island between California Ave. and 4th St. to permit grader to pass without damage
11. **Fence Repairs.** Fences and Gates were repaired at the following locations;
- a. Kern Island - 30th St., 34th St. and Columbus
 - b. Eastside - Sterling, Columbus, Kentucky, 30th and 34th
 - c. Branch 1 - Hughes & White Lane
 - d. Central - South Gate and Harris & Wible
12. **Safety Meetings.** Weekly tailgate safety topics were;
- a. Screen Safety
 - b. Electrical-Power Tool & Cords
 - c. Staying Focused
 - d. Maintenance Emergency Response Plan
 - e. Emergency Action Plan
 - f. Emergency Action Plan for Field and Response
13. **Water Banking Activities.** The following jobs were completed during the month;
- a. Mowing cells at the DiGregorio, Branch 1 and Romero Basins
 - b. Manage sub-contractors performing weed control at basins
14. **Future Projects.** The following projects will be completed as time and scheduling permit:
- a. Trim and remove trees/brush as needed along canals for grader passage
 - b. Repair dilapidated turnouts, gates, screens, piping and crossings as availability of canals are made possible.
 - c. Install meters on the Stine Canal at the bladder basin outlet
 - d. 13 Ditch headgate – Evaluate leak in mid-August, plan for possible replacement
15. **Future Water Banking Projects.**
- a. Install permanent staff gauges and signage at basin properties



To: Kern Delta Water District Board of Directors

From: Steven Teglia

Date: August 17, 2021

Re: Encroachment Permit Applications

DISCUSSION:

Following are the organizations that have applied for an encroachment permit with Kern Delta Water District and a summary of their intended locations and purposes for encroaching.

Organization: American Construction & Excavation

Location: Burness Ditch, North of Taft Hwy

Purpose: Install storm drain line underneath canal

Anticipated Start Date: TBD

Tab V



KERN DELTA WATER DISTRICT

August 11, 2021

	8/11/2021	Last Year
KERN RIVER 3 DAY MEAN INFLOW	82 CFS	192 CFS
KERN RIVER MEAN OUTFLOW	193 CFS	576 CFS
ISABELLA RESERVOIR STORAGE	58,278 ACFT	126,144 ACFT
REQUESTED OUTFLOW	180 CFS	590 CFS

Estimated: (CFS)

KDWD DAILY DIVERTED: (AUGUST 11, 2021)	@HEAD	STATE	XCHNG	BANKING
KERN ISLAND	37	15	0	0
EASTSIDE	20	0	0	0
BUENA VISTA -LEVEE	0	0	0	0
STINE	0	0	0	0
OTHER - River Channel	0	0	0	0
K.I. / A.E. Exchange Gate	0	0	0	0
STINE / A.E. Exchange Gate	0	0	0	0
Total CFS	57	15	0	0

Estimated: (Acre Feet)

DIVERTED (JULY 2021)	UTILITY	STATE	PURCHASE	BANKING
KERN ISLAND	9,136	494	0	0
EASTSIDE	1,743	748	0	0
C.O.B. Misc.	0	0	0	0
BUENA VISTA	0	0	0	0
STINE	0	0	0	0
FARMERS	0	0	0	0
SOUTH FORK	0	0	0	0
West Side State Sale	0	0	0	0
MONTHLY TOTAL	10,879	1,242	0	0
YEAR TO JULY 31, 2021	89,814 ACFT	3,464	0	0
Year to July 31, 2021 Utility - State - Banking	93,278 ACFT			

ACFT. STORAGE BALANCE AS OF:	7/31/2021	Estimate 8/11/2021	Max Storage
KERN ISLAND	1,898	1,612	2,500
BUENA VISTA	0	0	2,000
STINE	0	0	1,500
FARMERS	0	0	2,500
STATE (20) Carryover	967	577	N/A
STATE (21) Contract	0	0	N/A
RRBWSO STORAGE	23,805	23,805	N/A
PIONEER PROJECT STORAGE	23,285	23,285	N/A
TOTAL ACFT.	49,955	49,279	

K.D.W.D. CLIMATOLOGICAL OBSERVATION:

<u>79</u>	MINIMUM TEMPERATURE	<u>68</u>
<u>106</u>	MAXIMUM TEMPERATURE	<u>98</u>
<u>80</u>	PRESENT TEMPERATURE	<u>77</u>
<u>0.00</u>	PRECIPITATION - 24 HR. DAY	<u>0.00</u>
<u>0.00</u>	PRECIPITATION - MONTH	<u>0.00</u>
Seasonal <u>2.04</u>	YEAR TO DATE PRECIP.	<u>3.98</u> Seasonal

ISABELLA CLIMATOLOGICAL OBSERVATION:ISABELLA RESEVOIR:

LAKE ELEVATION (FT.)	2,534.72	JULY AC. FT. INFLOW	8,707
STORAGE ACFT.	58,278	JULY AC. FT. OUTFLOW	19,656
STORAGE CAPACITY	568,075	ACCUMULATIVE ACFT. INFLOW (20-21)	149,088
% OF CAPACITY	10%	ACCUMULATIVE ACFT. OUTFLOW	164,487
COE STORAGE CAPACITY	360,000	% OF COE CAPACITY	16%

Summary of Utility Water Diverted Year to Date: 7/31/2021

	Utility	North Kern*	Other Exchanges
January	6,805	0	0
February	13,083	0	0
March	12,456	0	0
April	14,251	0	0
May	15,598	0	0
June	16,742	0	0
July	10,879	0	0
August			
September			
October			
November			
December			
Total	89,814	0	0

Summary of Other Water Diverted Year to Date: 7/31/2021

	State	Purchase	Banking
January	0	0	0
February	0	0	0
March	48	0	0
April	127	0	0
May	266	0	0
June	1,781	0	0
July	1,242	0	0
August			
September			
October			
November			
December			
Total	3,464	0	0

Water owed to K.D.W.D as of: 7/31/2021

B.V.W.S.D. 2020 State Carryover*: 4,431
2021 State Contract: Table A

Quantities in acft. TOTAL 4,431

Summary of Total State Water Used Year to Date: 7/31/2021

	(OWED)	(USED)
2020 Carryover	967	3,464
2021 Contract		
Total	967	3,464

Net Owed to KDWD TOTAL 4,431

*Maximum State Carryover Balance: 6,000 acre feet

U.S. Drought Monitor California

August 3, 2021

(Released Thursday, Aug. 5, 2021)

Valid 8 a.m. EDT

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	0.00	100.00	100.00	95.07	88.37	46.45
Last Week <i>07-27-2021</i>	0.00	100.00	100.00	95.09	88.59	46.49
3 Months Ago <i>05-04-2021</i>	0.00	100.00	97.52	92.88	73.31	5.36
Start of Calendar Year <i>12-29-2020</i>	0.00	100.00	95.17	74.34	33.75	1.19
Start of Water Year <i>09-29-2020</i>	15.35	84.65	67.65	35.62	12.74	0.00
One Year Ago <i>08-04-2020</i>	33.74	66.26	50.38	21.50	3.04	0.00

Intensity:

 None	 D2 Severe Drought
 D0 Abnormally Dry	 D3 Extreme Drought
 D1 Moderate Drought	 D4 Exceptional Drought

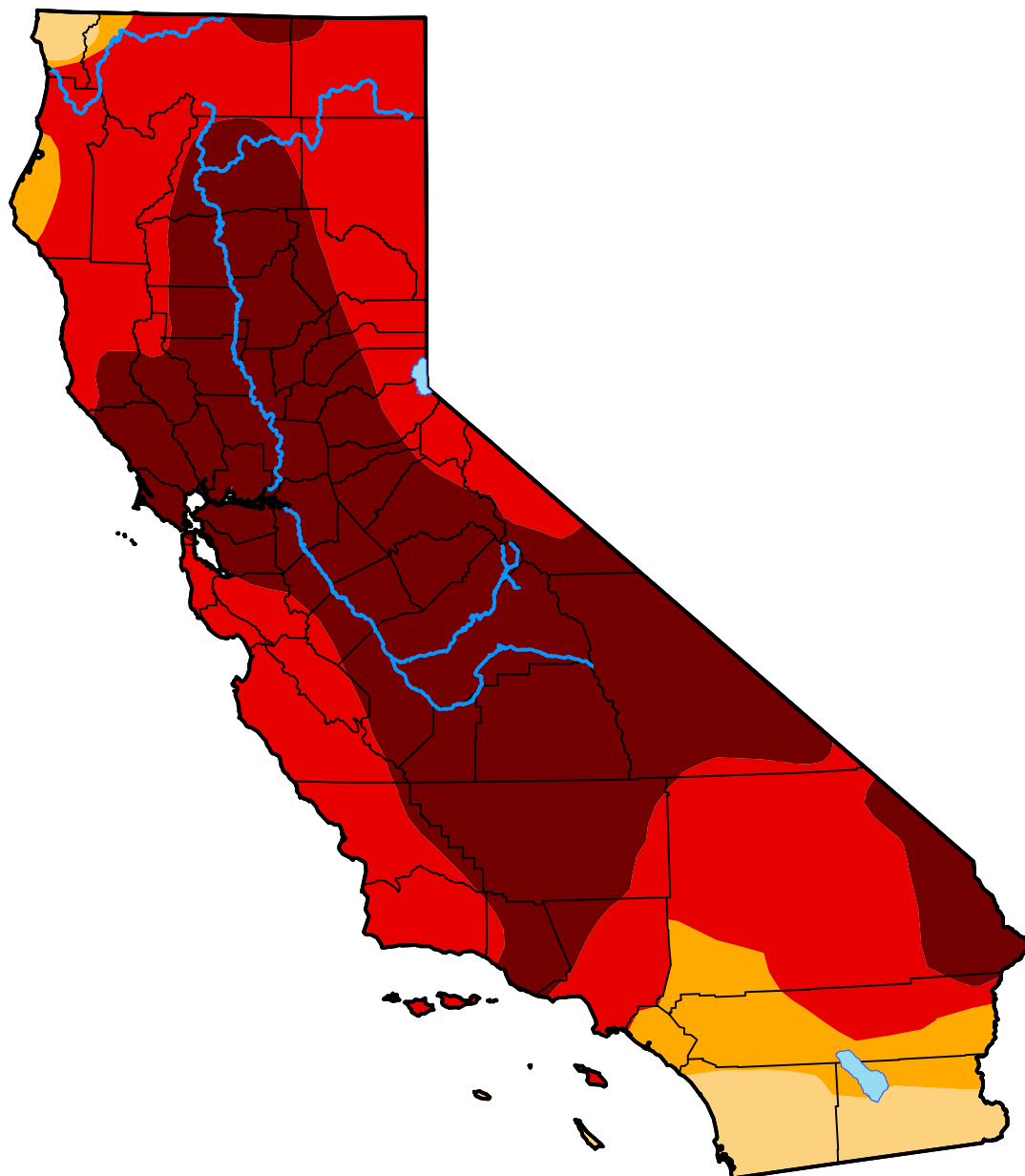
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

Author:

Richard Tinker
CPC/NOAA/NWS/NCEP



droughtmonitor.unl.edu





ISABELLA LAKE, CA CONSTRUCTION

U.S. ARMY CORPS OF ENGINEERS

BUILDING STRONG.

Location & Description

Isabella Lake Dam (consisting of a Main Dam, Auxiliary Dam and service spillway) is located about 40 miles northeast of Bakersfield in Kern County, California, and became fully operational in 1953. The Main Dam is located near the confluence of the north and south forks of the Kern River and the Auxiliary Dam is located about half a mile east of the Main Dam. The Main Dam is a 185-foot-high earth-fill dam, and the Auxiliary Dam is a 100-foot-high earth-fill dam. The service spillway is located between the two dams. The reservoir (Isabella Lake) has a gross storage capacity of 568,075 acre-feet.

August 2021



Advisory

- USACE has established enhanced protocols to ensure the safety of our employees and our partners, and to take necessary precaution to prevent the spread of COVID-19.
- The Phase II Dams and Spillways contractor continues construction activities. As a result, the site including Engineers Point is an active construction area and is off limits to the public.
- USACE policy prohibits public operation of unmanned aircraft systems, such as drones, on or above federal lands and waters managed by USACE. The policy is intended to ensure critical infrastructure security and public safety.

Looking Ahead (Next 30+ days)

- Excavation and slope stabilization work continues for the Emergency Spillway. Steel rebar, slab, and wall placement work also continues for the Labyrinth Weir.
- The contractor continues to maintain production goals to embank to the new raised crest elevation on the Auxiliary Dam with approximately 13 feet remaining.
- Main Dam continues embanking and is scheduled to be back to flood elevation by the end of September.
- Facility assessment of the US Forest Service visitor center is scheduled to take place this month.
- Design for the Permanent Operations Building is scheduled to be completed this month.
- USACE will provide updates on any changes via public outreach, the monthly SITREP, and the Isabella Task Force engagements.

Current Lake Status (as of August 2, 2021)

The current pool resides at 60,358 acre-feet (elevation 2,545 feet-IPD), which is 17% of restricted pool.

As part of our interim risk reduction measures, Isabella Lake is restricted to 361,250 acre-feet (elevation 2,585.5 feet-IPD) outside of flood season. During flood season (~November-March), flood conservation pool is restricted to 170,000 acre-feet (elevation 2,560.4 feet-IPD). Current lake status can be viewed at <https://go.usa.gov/xE2pX>

Milestones	
Pre-Construction Engineering and Design	Complete
Construction of USFS Fire Station and Admin Facilities	Complete
U.S. Forest Service Visitor's Information Center	In Planning
Dams and Spillways Construction	2018-2022

Depth-to-Groundwater 2021

				JAN 2015		JAN 2016		JAN 2017		JAN 2018		JAN 2019		JAN 2020		JAN 2021		FEB 2021		MAR 2021		APR 2021		MAY 2021		JUN 2021		JUL 2021		AUG 2021		SEP 2021		OCT 2021		NOV 2021		DEC 2021		HIGH		LOW		AVERAGE			
Northwest Quadrant	30/26-26C	R	196	206	190	R	204	L	L	L	L	L	L	L	R																																
	30/26-26G	187	199	207	197	R	199	L	L	L	L	L	L	R	R																																
	30/26-27J	177	198	206	198	R	210	L	L	L	L	L	L	R	R																																
	30/26-35N			NR	181	184	171	169	175	175	175	180	R	R	205																																
	30/27-31E	185	202	214	181	202	219	201	208	218	213	211	219	236	238																																
	31/26-08G	152	168	NR	168	NR	204	205	202	NR	NR	NR	202	214	NR																																
	31/26-10J	175	206	NR	170	202	NR	203	201	201	201	204	234	250	235																																
	31/27-06C	200	195	202	NR	208	215	203	209	209	205	205	214	247	246																																
	31/27-07B	189	198	NR	199	R	200	NR	223	R	R	215	222	R	R																																
Southwest Quadrant	31/26-13N			198	180	201	NR	NR	208	R	R	211	R	281	R																																
	31/26-15J			200	168	205	NR	201	200	200	203	201	234	R	284																																
	31/26-16P			NR	168	207	204	202	209	211	203	201	200	R	209																																
	31/26-17Q			NR	NR	210	203	219	219	201	203	209	219	R	R																																
	31/26-21N			NR	175	238	204	204	202	202	201	213	267	290	295																																
	31/26-30G			186	159	240	268	203	R	R	201	200	260	R	NR																																
	31/27-18D01			NR	NR	206	201	203	204	211	R	R	234	R	R																																
	32/26-08J			132	189	215	209	212	206	206	203	203	NR	205	210																																
	32/27-07N			160	NR	200	288	200	200	202	NR	NR	208	210	250																																
North-Central Quadrant	30/28-29B			NR	236	243	229	225	223	R	R	R	R	R	R																																
	31/27-01L			190	260	220	232	219	217	206	230	228	233	R	A																																
	31/27-04A			158	176	183	184	179	178	186	170	172	177	181	191																																
	31/27-05J			NR	200	NR	228	207	207	211	R	R	228	R	R																																
	31/27-10B			NR	NR	NR	208	208	207	207	204	200	222	R	R																																
	31/27-11K			171	170	330	227	333	328	331	NR	NR	336	R	353																																
	31/27-12Q			NR	140	140	139	141	140	R	R	R	R	R	R																																
	31/28-08A			216	220	243	244	249	248	250	255	247	R	R	290																																
South-Central Quadrant	31/27-20H			NR	NR	NR	211	NR	NR	208	208	205	222	206	207																																
	31/27-21M			NR	160	L	L	NR	NR	189	R	R	200	R	244																																
	31/28-20D			NR	180	190	201	R	202	R	R	R	R	R	R																																
	32/27-15B			192	196	231	202	200	NR	NR	NR	NR	234	R	A																																
	32/28-19A			216	NR	215	222	222	220	222	233	227	238	184	213																																
	32/28-05A			NR	NR	250	239	220	202	227	228	225	R	291	287																																
	32/28-05B			NR	NR	226	201	205	211	202	203	204	R	274	285																																
	32/28-08R			NR	NR	224	253	222	238	202	228	220	229	301	311																																

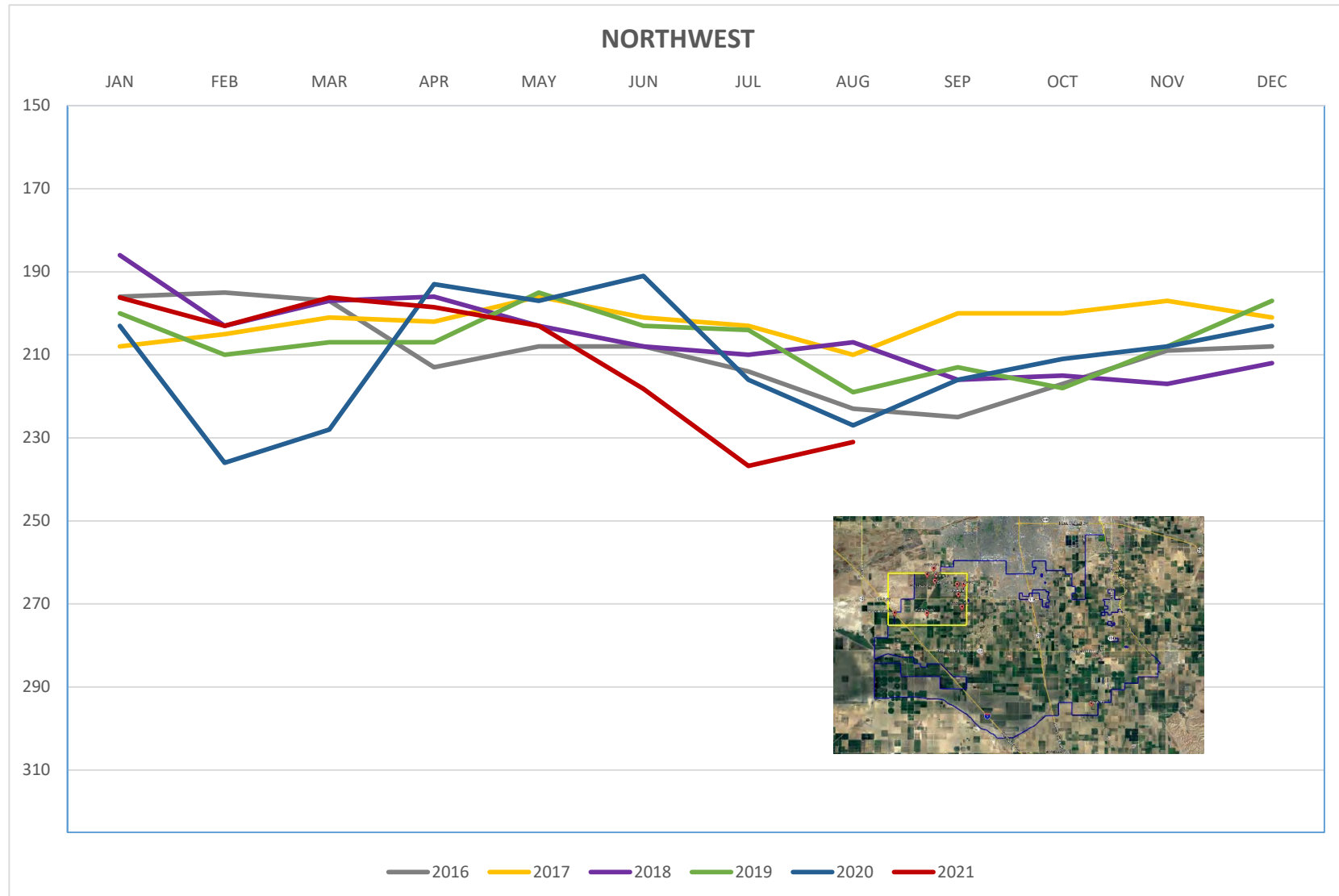
Depth-to-Groundwater 2021

		JAN 2015	JAN 2016	JAN 2017	JAN 2018	JAN 2019	JAN 2020	JAN 2021	FEB 2021	MAR 2021	APR 2021	MAY 2021	JUN 2021	JUL 2021	AUG 2021	SEP 2021	OCT 2021	NOV 2021	DEC 2021	HIGH	LOW	AVERAGE
Northeast Quadrant	30/28-11F	240	250	254	248	263	263	264	263	264	259	269	267	267	255					269	255	264
	30/28-13C			299	290	R	300	331	308	328	R	303	R	R	R					331	303	318
	30/28-24R			NR	NR	306	311	309	305	309	R	R	NR	R	R					309	305	308
	30/28-26R			NR	NR	287	NR	NR	NR	NR	R	300	R	NR	R					300	300	300
	30/28-36A						212	NR	308	311	R	NR	318	331	NR					331	308	317
	30/29-31C			319	323	327	338	330	338	328	320	323	370	338	R					370	320	335
	31/28-02H			NR	288	291	290	295	238	241	296	290	305	331	320					331	238	290
	31/28-10A			328	249	253	253	258	266	260	261	263	274	280	284					284	258	268
	31/28-12P			NR	222	286	284	NR	260	R	288	288	R	R	230					288	230	267
	31/28-13H2					NR	NR	NR	285	R	277	279	276	R	R					285	276	279
Southeast Quadrant	31/28-14D			226	233	239	230	235	233	236	R	232	242	R	R					242	232	236
	31/28-23H			NR	278	290	286	275	293	NR	R	R	NR	R	296					296	275	288
	31/28-34H			NR	NR	337	206	204	NR	NR	NR	NR	239	239	NR					239	204	227
	31/29-18A			NR	234	335	333	241	336	328	330	333	341	334	A					341	241	320
	31/29-28C	326	257	NR	219	347	344	NR	348	338	NR	340	346	R	R					348	338	343
	31/29-30H			NR	NR	NR	NR	331	R	R	R	R	R	R	A					331	331	331
	31/29-33D			NR	294	342	250	338	326	318	331	323	329	R	A					338	318	328
	32/28-14F	287	NR	NR	NR	NR	222	241	245	246	240	241	244	253	250					253	240	245
	32/28-15R	250	305	NR	300	263	272	291	290	307	300	217	285	R	R					307	217	282
	32/28-01P			NR	NR	NR	NR	NR	NR	NR	NR	212	218	220	NR					220	212	217
	32/29-06P	193	198	201	NR	183	177	208	189	NR	194	NR	NR	NR	NR					208	189	197

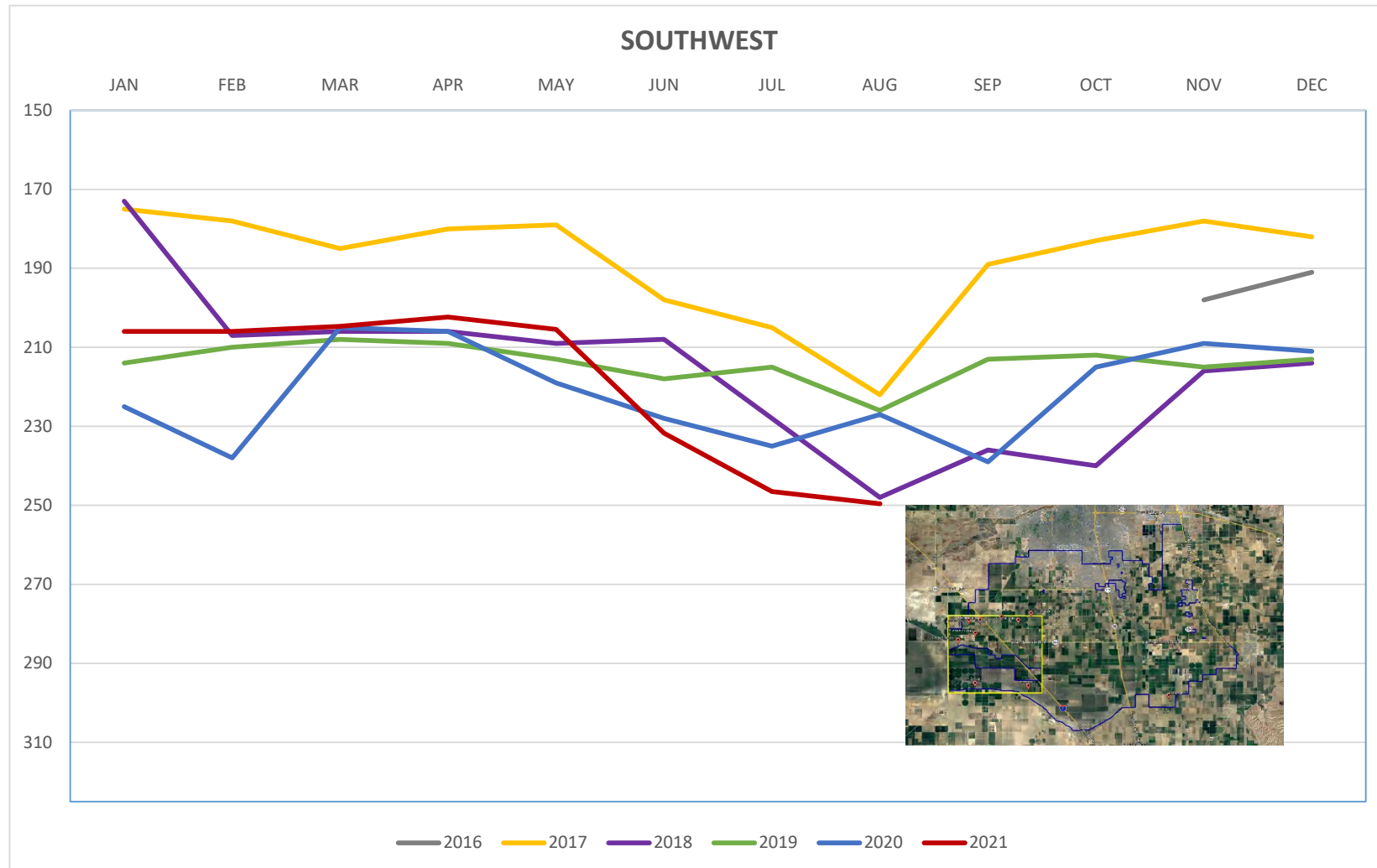
	High	Low	Ave.
NORTHWEST	250	169	209
SOUTHWEST	295	200	217
NORTH-CENTRAL	353	140	222
SOUTH-CENTRAL	311	184	221
NORTHEAST	370	230	296
SOUTHEAST	348	189	274

A=anomalous reading (either wildly high or wildly low, therefore not included in data)
 R = Pump Running
 NR = No Reading (well temporarily inaccessible, unreliable reading, etc)
 CAP = Well has been Capped
 WA= Well added to rotation
 NW = No well, well removed since previous well run
 L = Gated well, letter has been sent to property owner requesting access

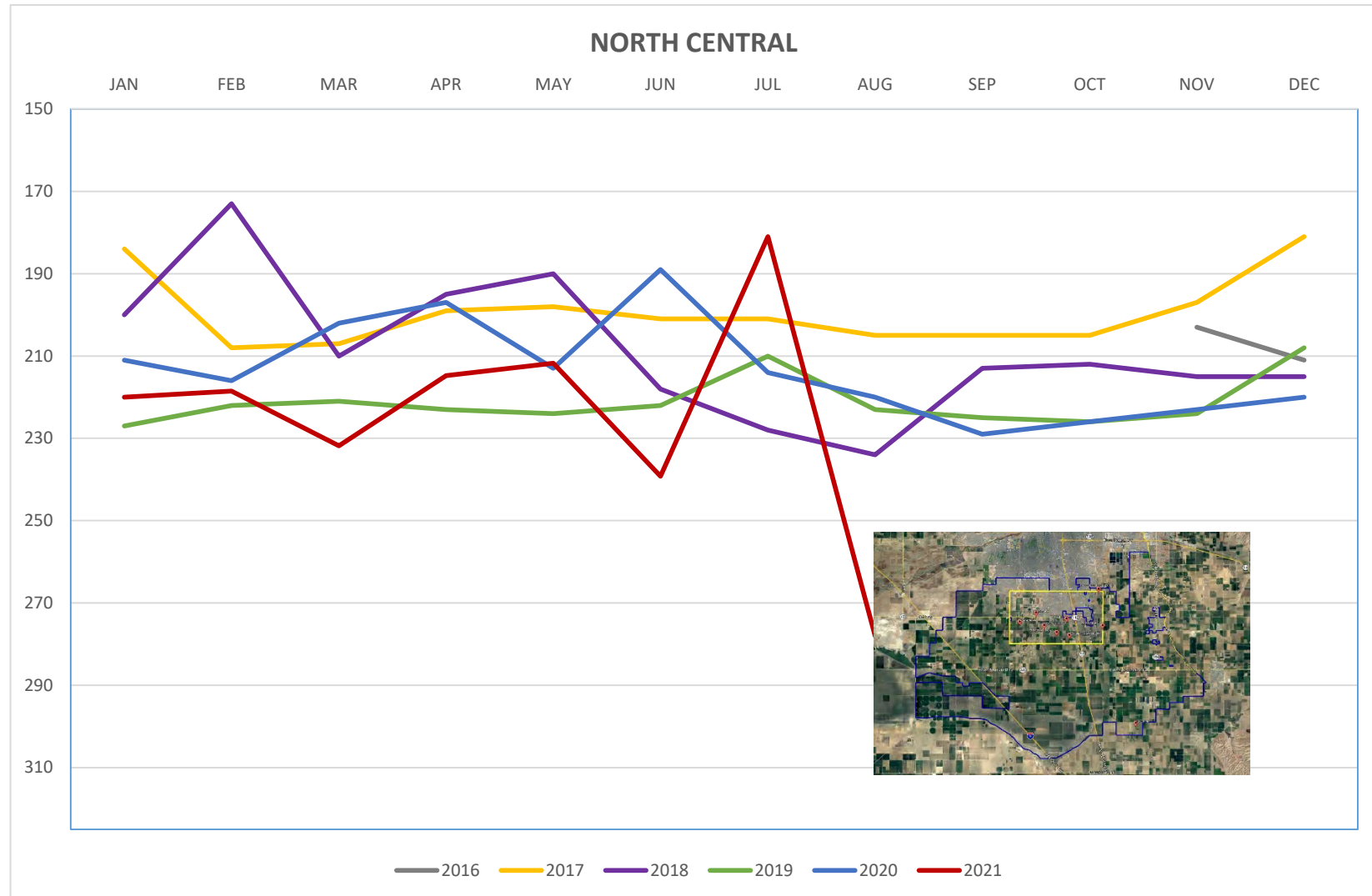
Depth-to-Groundwater 2021



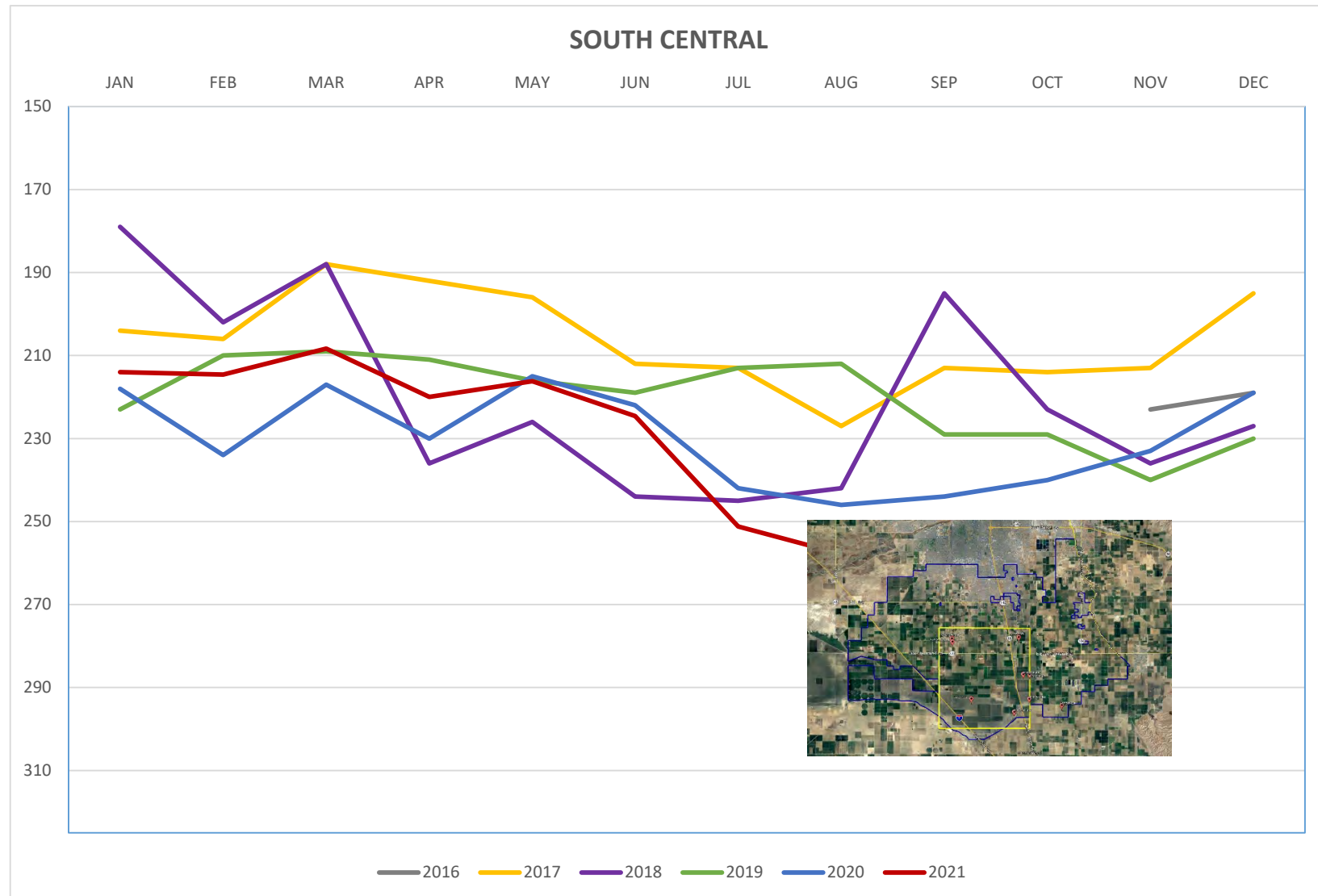
Depth-to-Groundwater 2021



Depth-to-Groundwater 2021

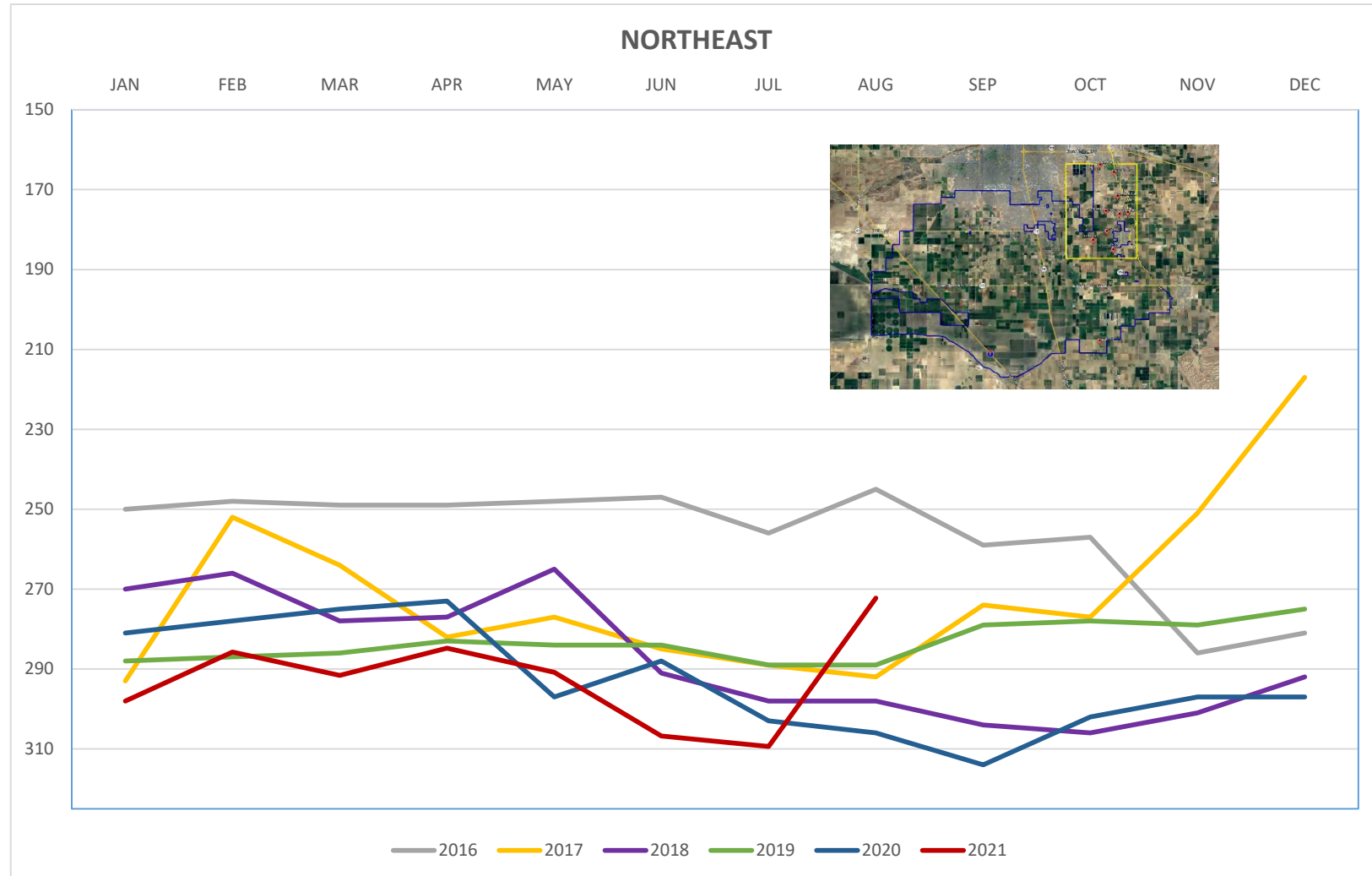


Depth-to-Groundwater 2021

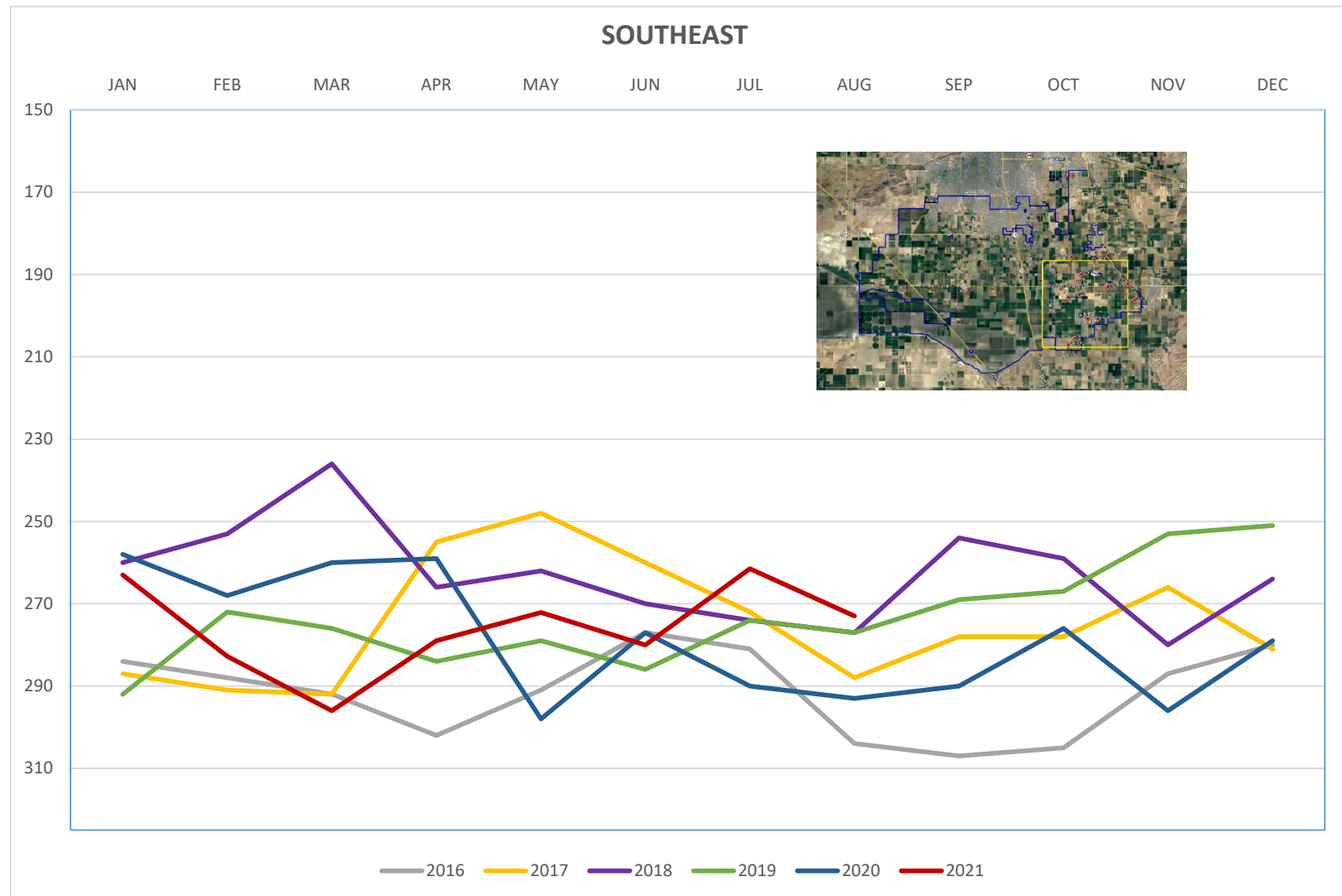


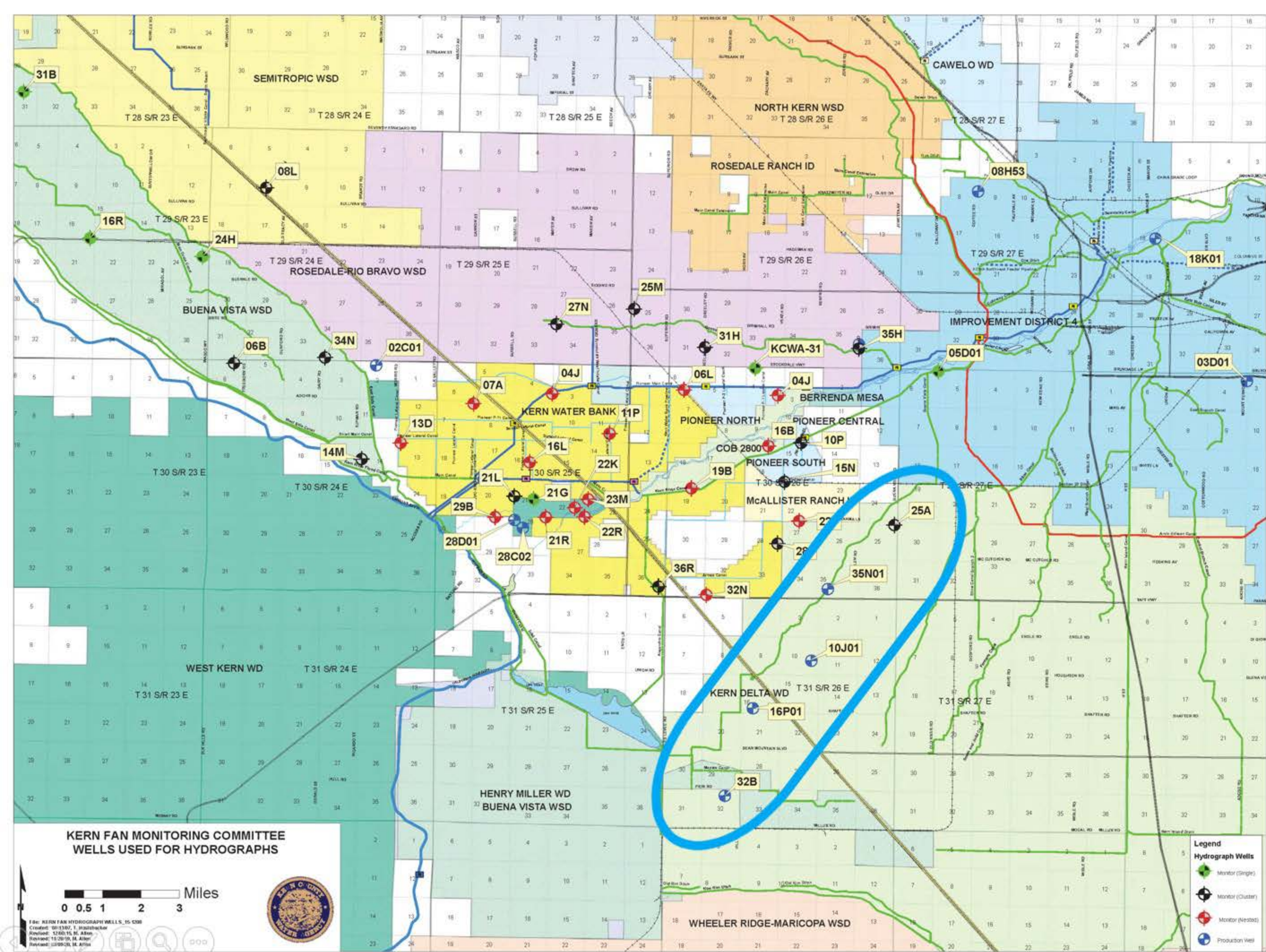
depth to groundwater unit of measurement = feet

Depth-to-Groundwater 2021



Depth-to-Groundwater 2021

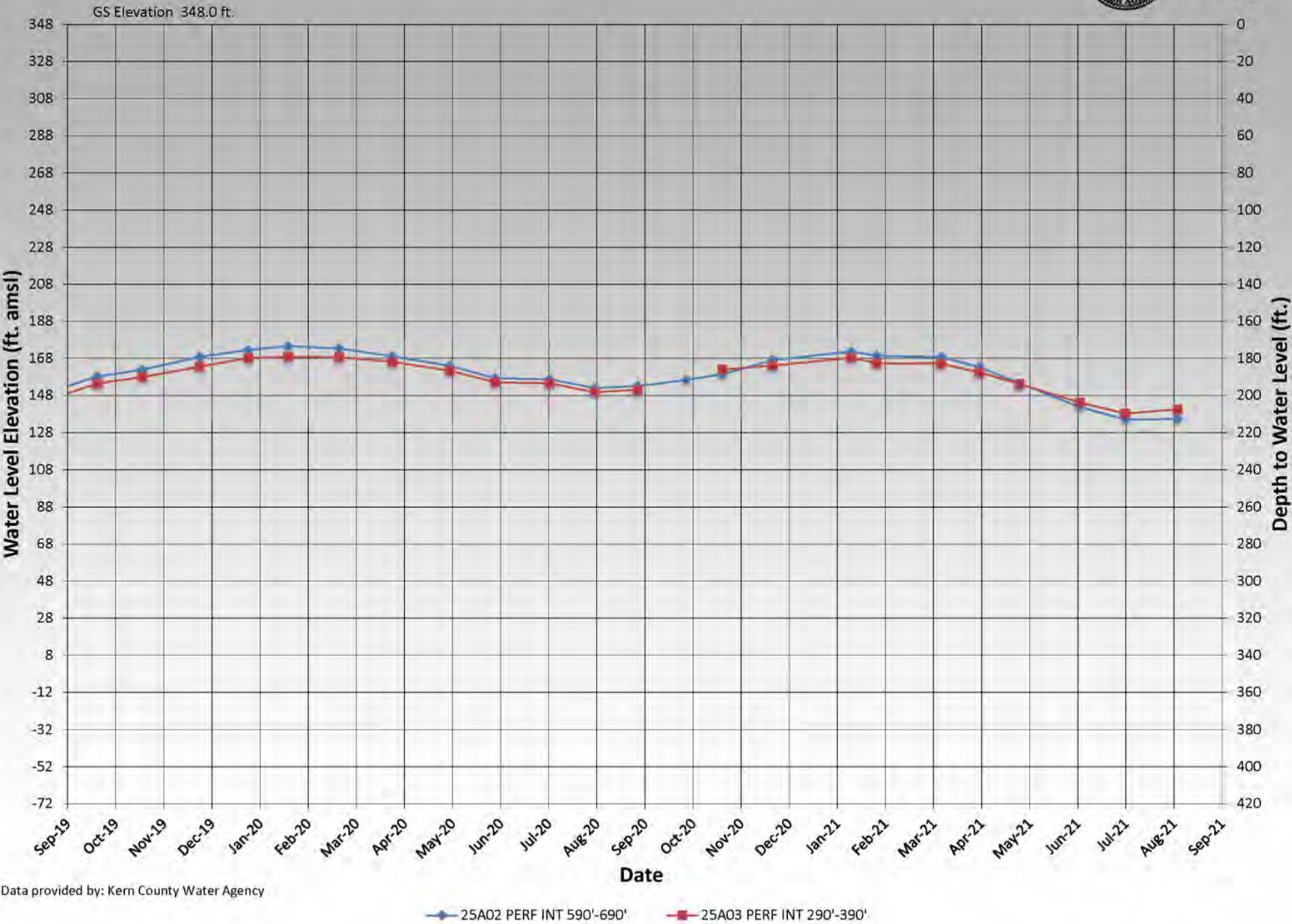




30S/26E-25A



KCWA
GROUNDWATER
DATABASE

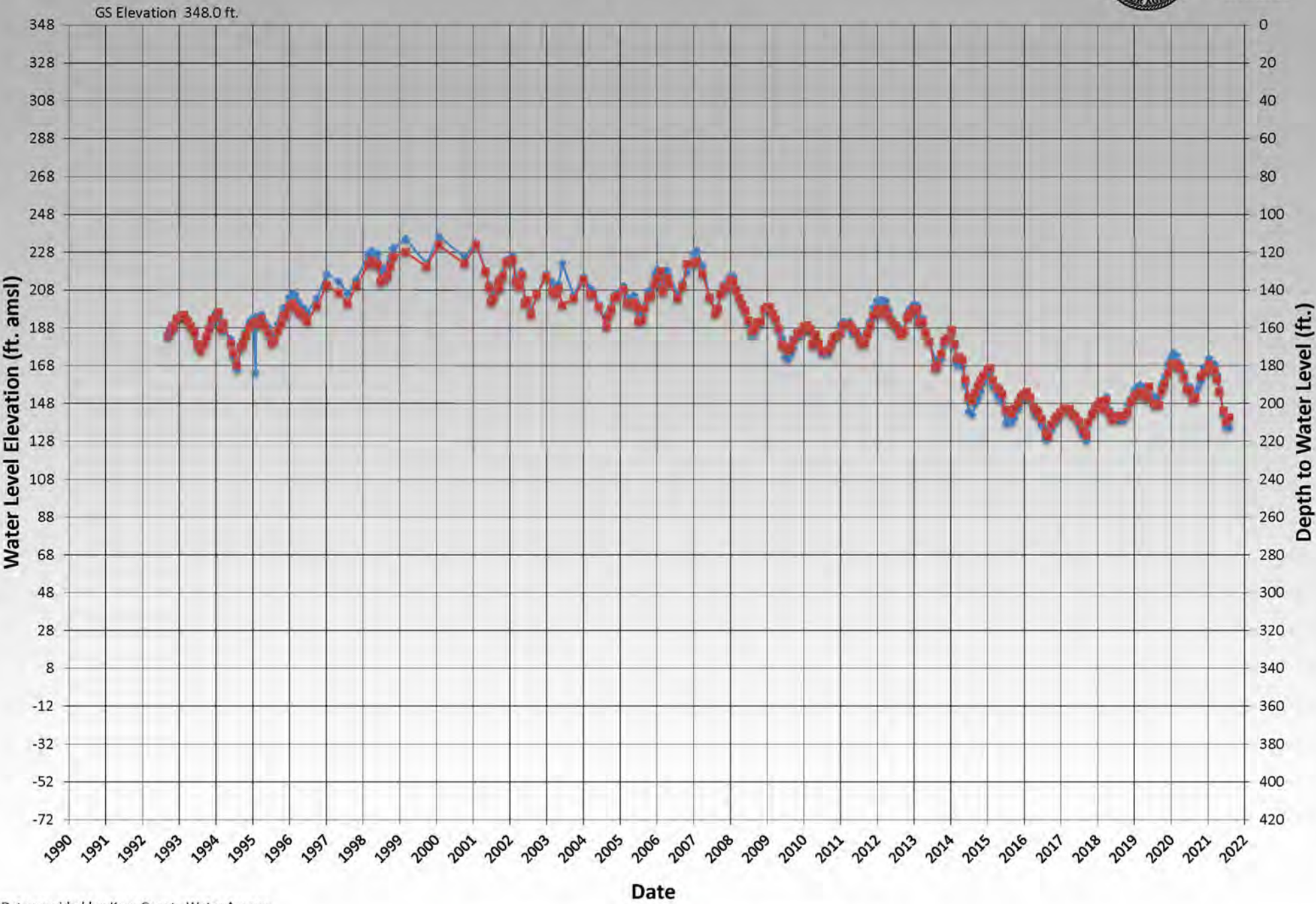


Data provided by: Kern County Water Agency

30S/26E-25A



KCWA
GROUNDWATER
DATABASE



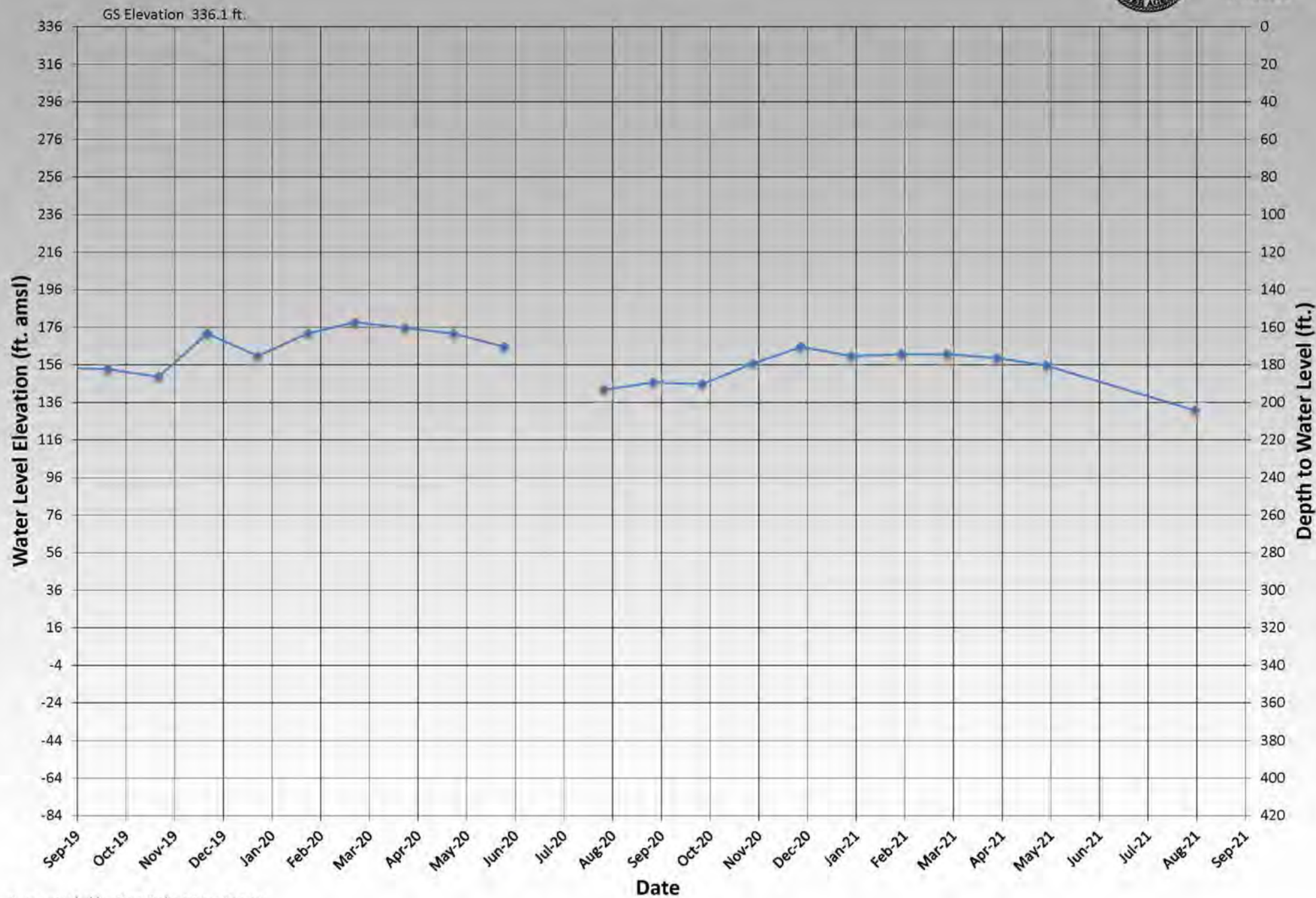
Data provided by: Kern County Water Agency

25A02 PERF INT 590'-690' 25A03 PERF INT 290'-390'

30S/26E-35N01



KCWA
GROUNDWATER
DATABASE



Data provided by: Kern Delta Water District

35N01 PERF INT 200'-470', 530'-650', 750'-850'

30S/26E-35N01



KCWA
GROUNDWATER
DATABASE



Data provided by: Kern Delta Water District

35N01 PERF INT 200'-470', 530'-650', 750'-850'

31S/26E-10J01



KCWA
GROUNDWATER
DATABASE

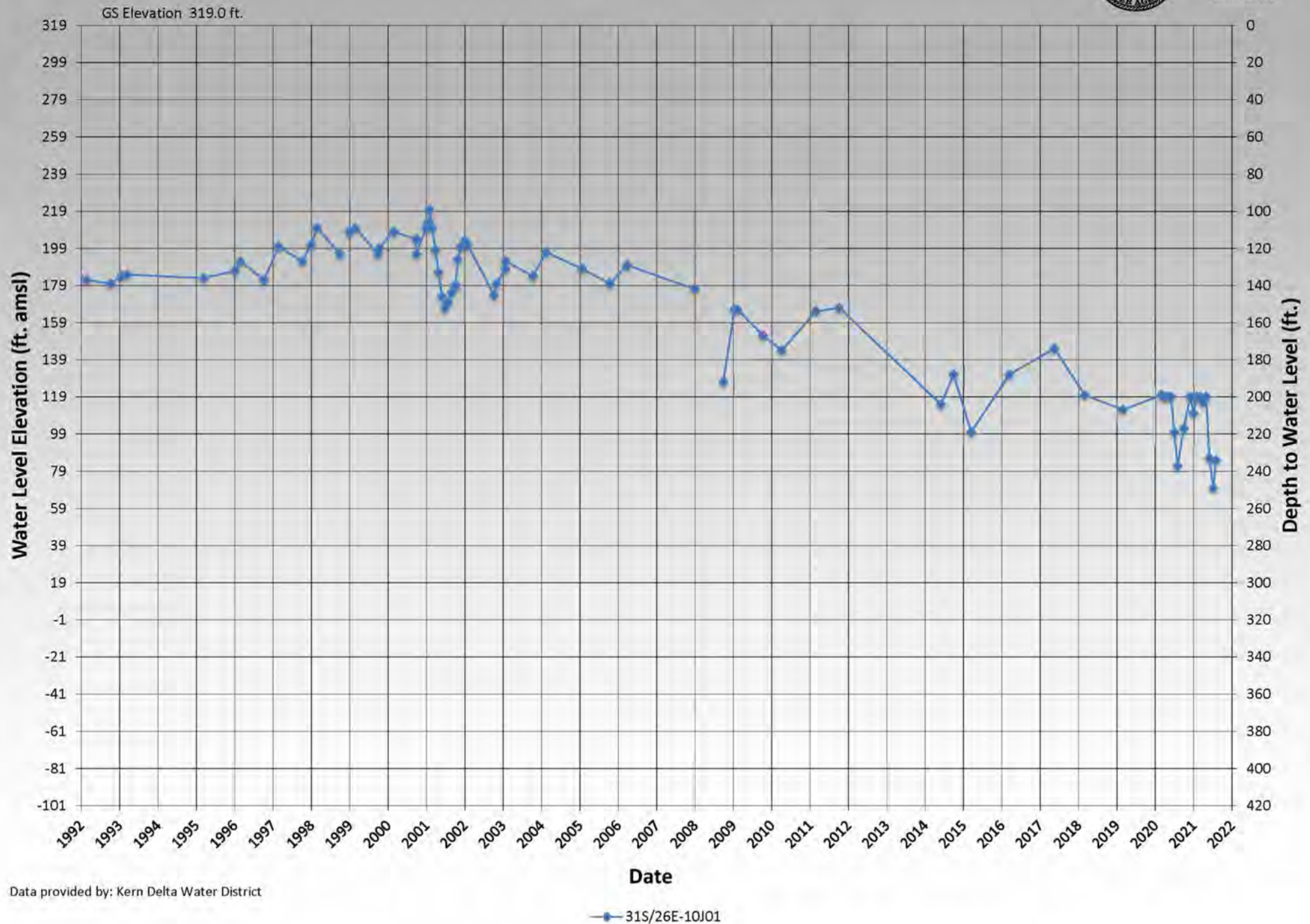


Data provided by: Kern Delta Water District

31S/26E-10J01



KCWA
GROUNDWATER
DATABASE

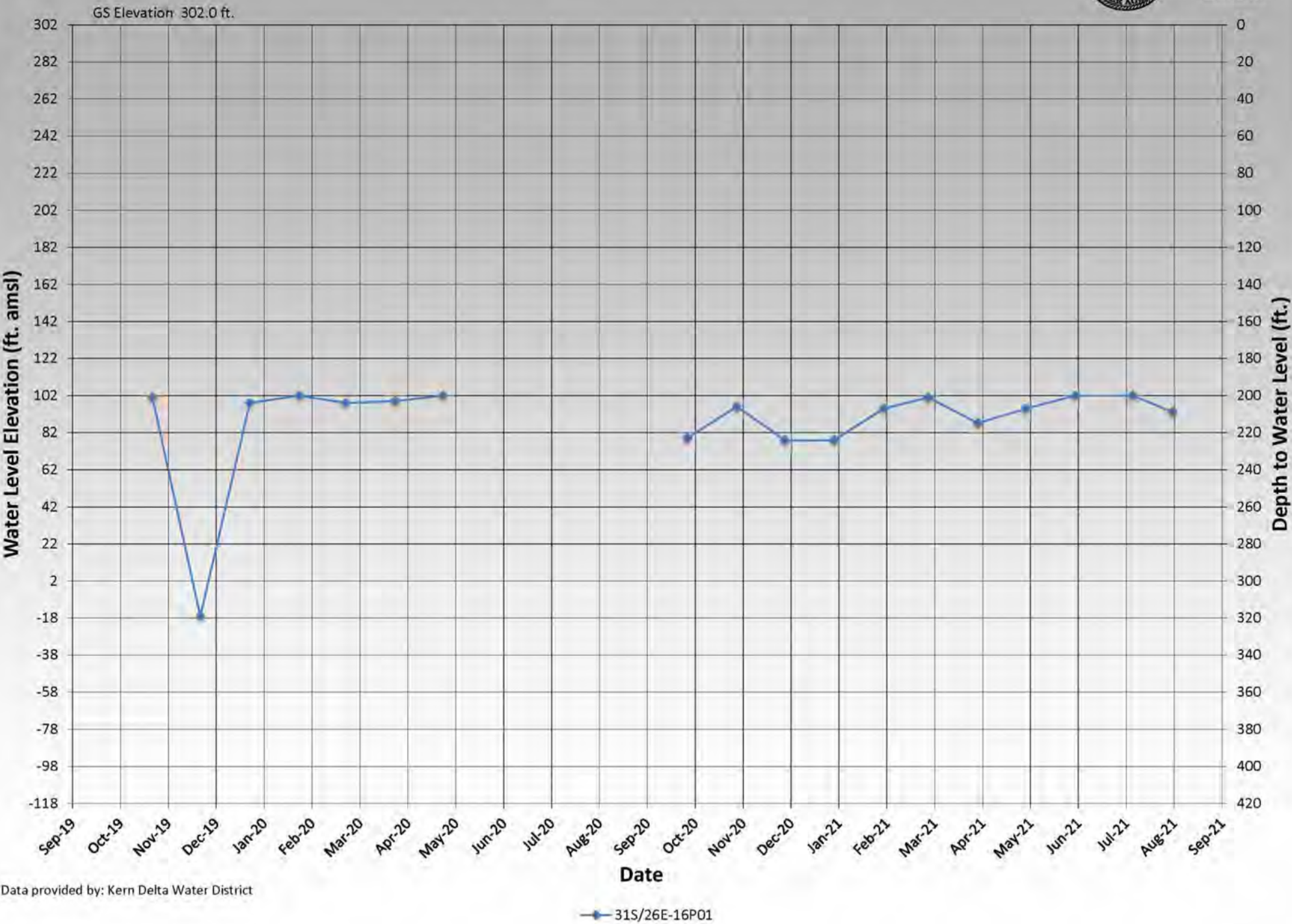


Data provided by: Kern Delta Water District

31S/26E-16P01



KCWA
GROUNDWATER
DATABASE

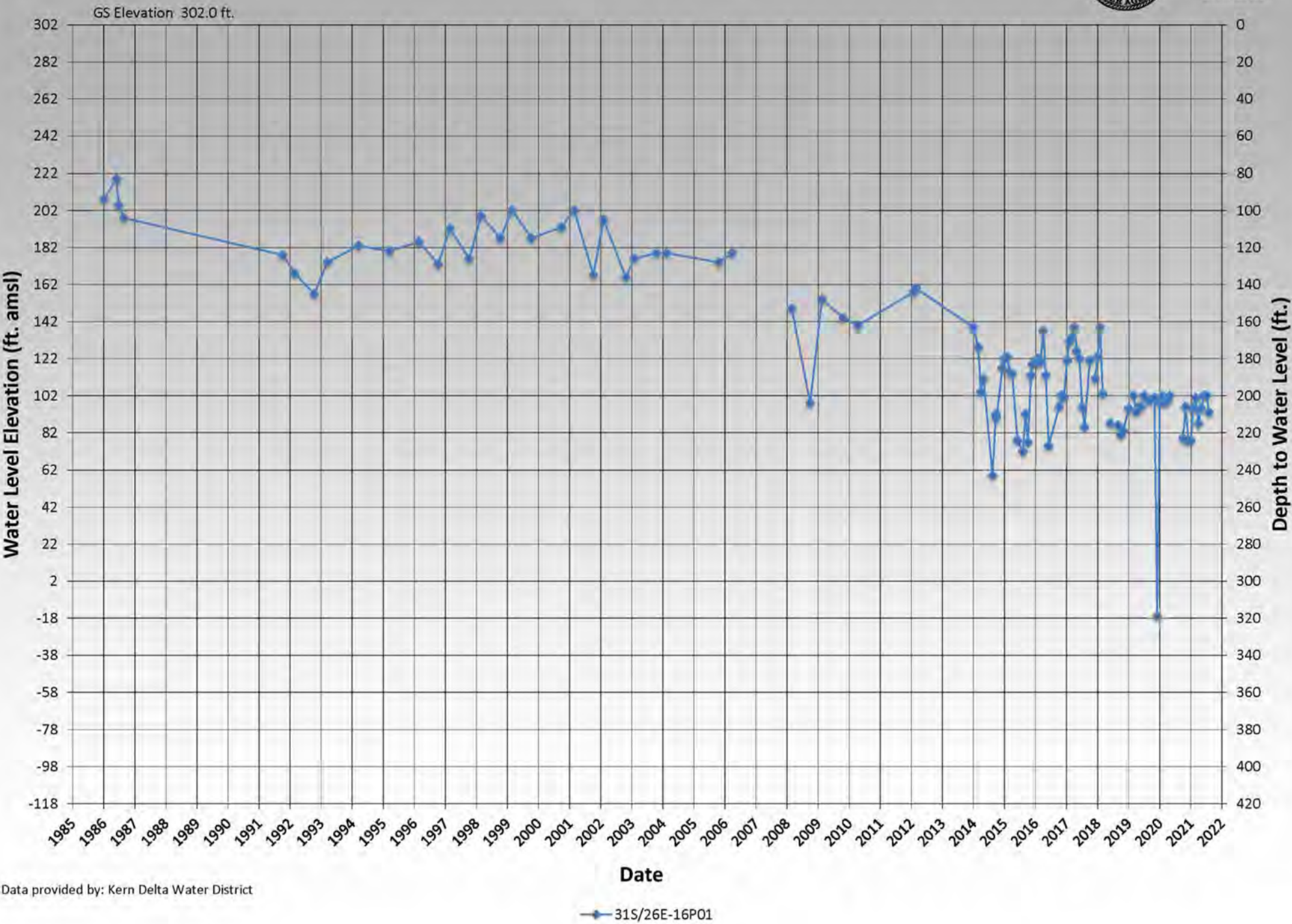


Data provided by: Kern Delta Water District

31S/26E-16P01



KCWA
GROUNDWATER
DATABASE

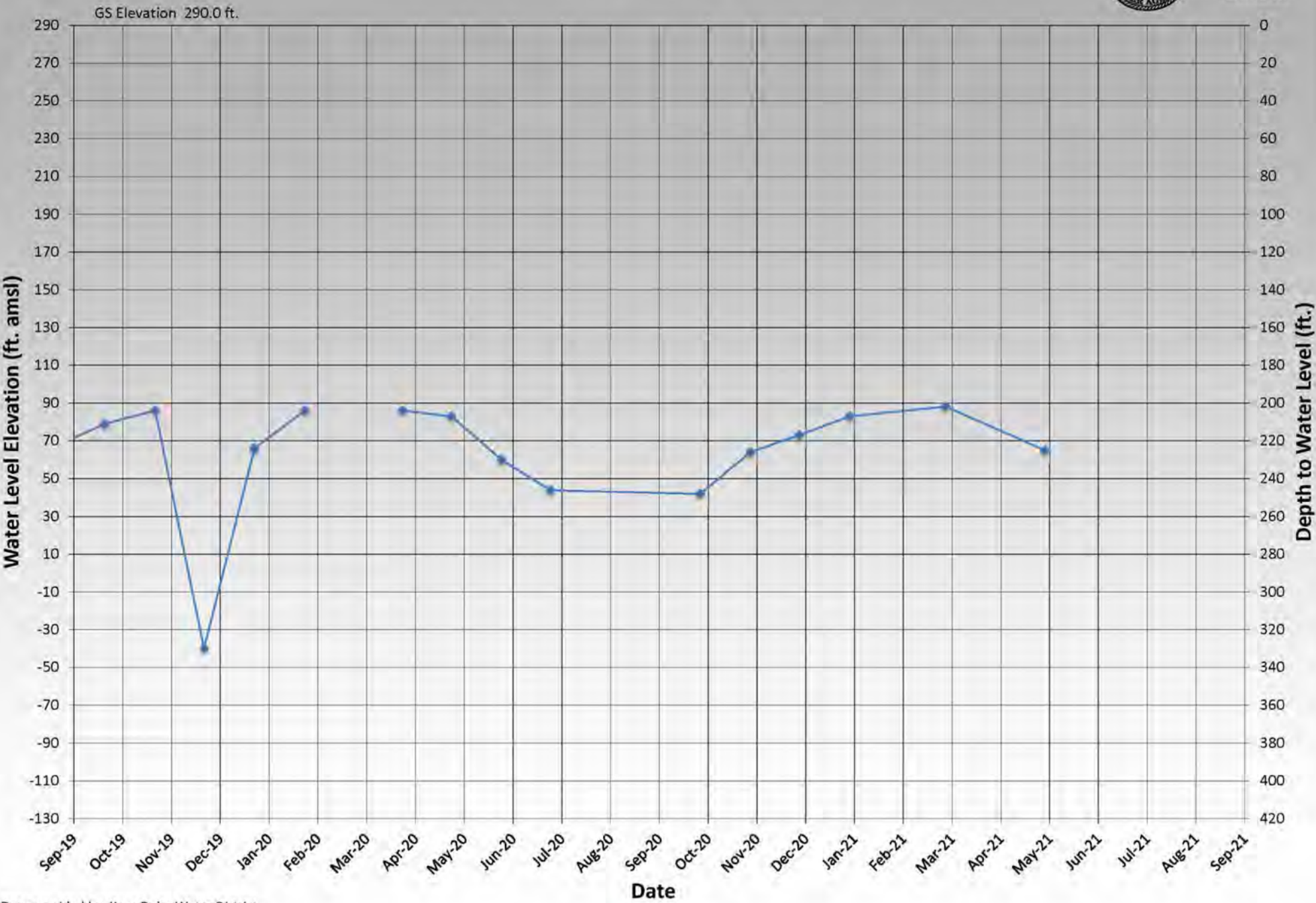


Data provided by: Kern Delta Water District

31S/26E-32B



KCWA
GROUNDWATER
DATABASE



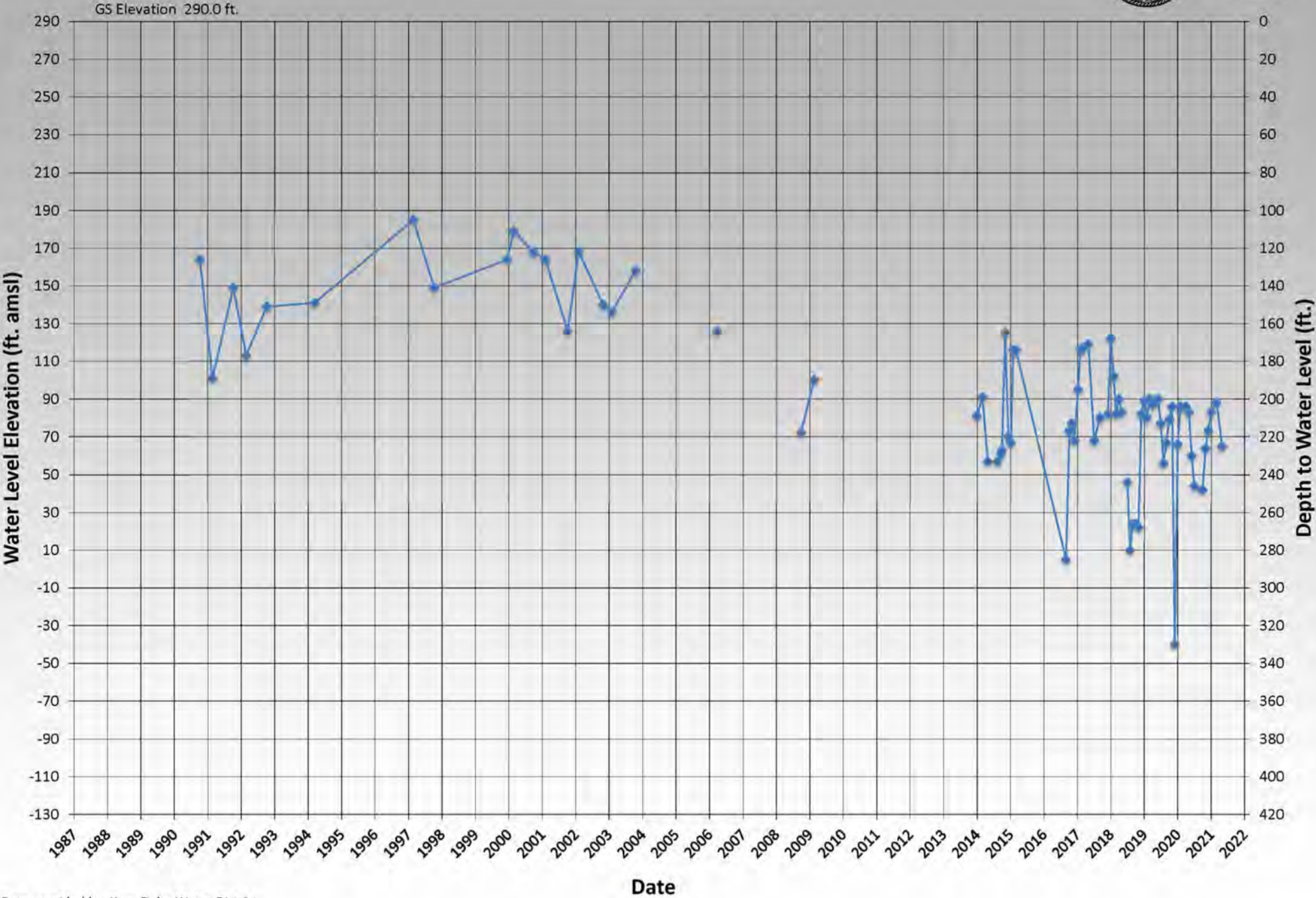
Data provided by: Kern Delta Water District

31S/26E-32B

31S/26E-32B



KCWA
GROUNDWATER
DATABASE



Data provided by: Kern Delta Water District

31S/26E-32B

Tab VI





To: Kern Delta Water District Board of Directors

From: Steven Teglia – General Manager

Date: August 17, 2021

Re: Agenda Item VI B. – External Agency Report

RECOMMENDATION:

Receive report, informational item only.

DISCUSSION:

Staff participates in / monitors multiple external agency meetings monthly. Below is a summary including items of note from the various meetings:

[Kern County Water Agency:](#)

- The KCWA Board met July 22, 2021.
- Next meeting will be August 26, 2021.
- SWP allocation 5%.
- Approval of State Water Project Audit for FY 2021-22.
- Summary of groundwater and overdraft correction accounts (attached).
- Delta Conveyance project timeline (attached).

[Kern Fan Authority:](#)

- The KFA meeting of July 28, 2021 was canceled.

[Kern River Groundwater Sustainability Agency \(KRGSA\):](#)

- The KRGSA meeting of August 5, 2021 was canceled.

[Kern Groundwater Authority \(KGA\):](#)

- The KGA met July 28, 2021.
- Basin DMS project update.
- Potential Basin Native Yield Study status.
- Annual Report unused funds reimbursement.

[Kern River Watershed Coalition Authority \(KRWCA\)\(ILRP\):](#)

- The KRWCA met August 5, 2021.
- Enrollment status update.
- On Farm Drinking Water Well reports due Dec. 31, 2021.

- CV-SALTS discussion.

South Valley Water Resources Authority:

- The SVWRA met July 22, 2021.
- 2022 Proposed Budget (\$19,125 to Kern Delta share for Fish Friendly Diversion Project)
- Pilot project continued discussion (potential grant funding).

Integrated Regional Water Management Plan:

- No Report.

[Water Association of Kern County \(WAKC\):](#)

- WAKC met July 27, 2021
- August 24, 2021 Lunch – *What are we doing for Water Conservation?*
- Annual Meeting Planning – 2nd week of Nov.

**Kern County Water Agency
Estimated Summary of Groundwater Bank Accounts
As of May 31, 2021**

Preliminary - Subject to Revision

Quantities in acre-feet

District	Estimated Balance as of December 31, 2020	Estimated Balance as of May 31, 2021					
		Pioneer Property	2800 Acres	Pioneer Project Subtotal	Berrenda Mesa	Kern Water Bank	Total
Belridge WSD	94,409	68,373	9,751	78,124	8,337	0	86,461
Berrenda Mesa WD	113,460	66,567	7,056	73,623	26,510	0	100,133
Buena Vista WSD	37,934	31,295	1,939	33,234	0	4,700	37,934
Cawelo WD	0	0	0	0	0	0	0
Dudley Ridge WD	58,097	0	0	0	0	51,143	51,143
Henry Miller WD	5,365	5,365	0	5,365	0	0	5,365
Improvement District No. 4	243,810	43,774	20,238	64,012	0	168,220	232,232
Kern County Water Agency	196,607	108,211	61,355	169,566	3,499	17,958	191,023
Kern Delta WD	23,285	23,285	0	23,285	0	0	23,285
Lost Hills WD	100,054	56,352	26,003	82,355	9,992	0	92,347
Rosedale-Rio Bravo WSD	41,232	41,232	0	41,232	0	0	41,232
Semitropic WSD	249,001	31,988	42	32,030	0	208,494	240,524
Tehachapi-Cummings CWD	5,820	0	0	0	0	5,820	5,820
Tejon-Castac WD	61,108	2,193	1,247	3,440	0	54,873	58,313
Westside Mutual Water Co.	427,288	0	0	0	0	387,459	387,459
Wheeler Ridge-Maricopa WSD	215,675	15,334	17,590	32,924	10,637	148,133	191,694
Total	1,873,145	493,969	145,221	639,190	58,975	1,046,800	1,744,965

**Kern County Water Agency
Estimated Summary of Overdraft Correction Accounts
As of May 31, 2021**

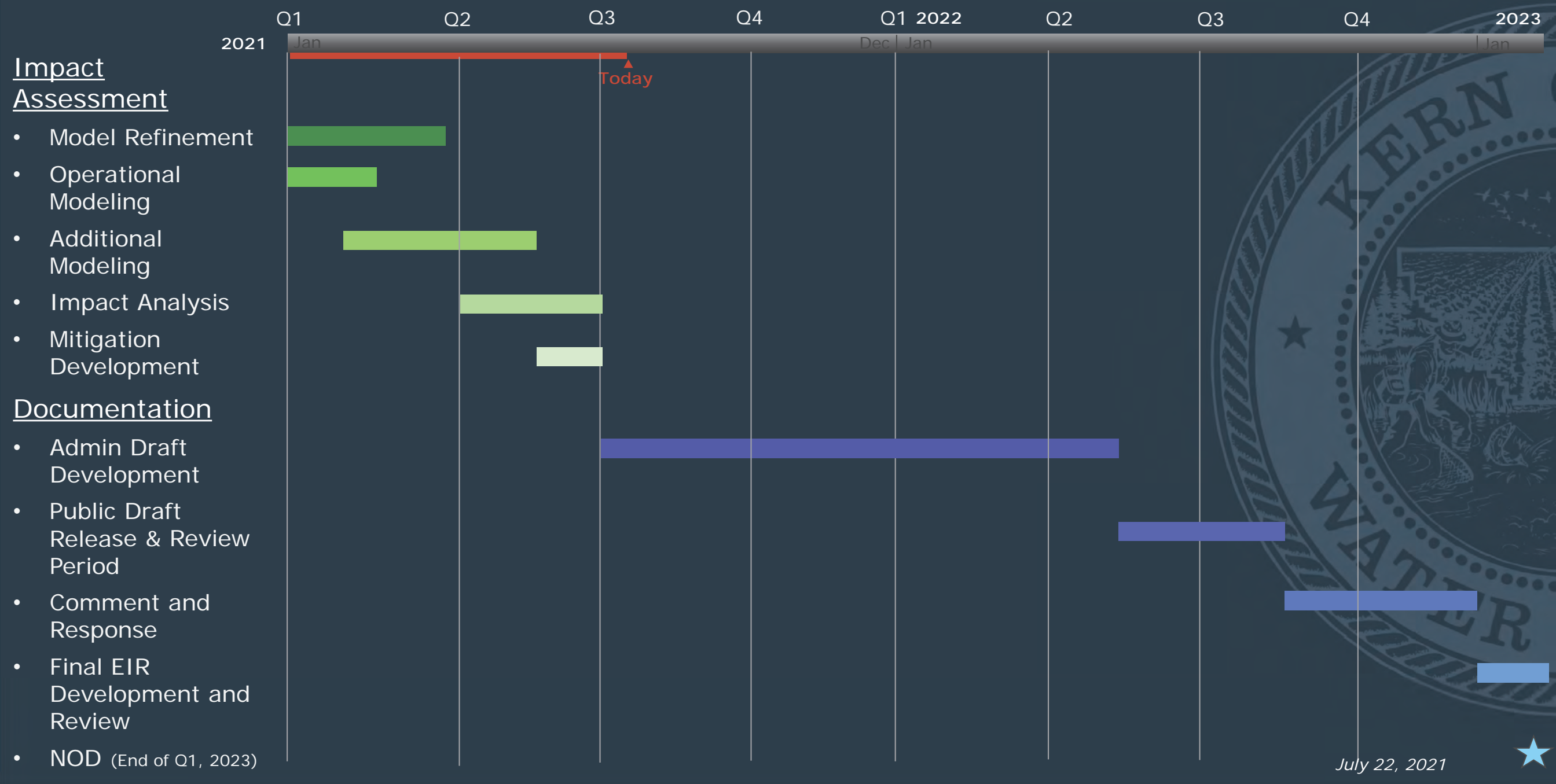
Preliminary - Subject to Revision

Quantities in acre-feet

District	Estimated Balance as of December 31, 2020	Estimated Balance as of May 31, 2021				
		Pioneer Property	2800 Acres	Pioneer Project Subtotal	Berrenda Mesa	Kern Water Bank ^[1] Total
Buena Vista WSD	46,115	39,246	0	39,246	0	46,115
Henry Miller WD	65,077	42,526	375	42,901	2,584	65,077
Kern County Water Agency	55,030	35,356	7,121	42,477	0	55,030
Kern Delta WD	79,947	57,032	409	57,441	1,508	79,947
Rosedale-Rio Bravo WSD	214,697	158,627	4,190	162,817	2,725	214,697
Total	460,866	332,787	12,095	344,882	6,817	460,866

^[1] Does not include purchase of 2011 4% reserve water.

Delta Conveyance Planning and Permitting Timeline





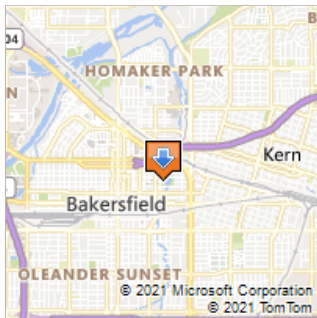
When

Tuesday, August 24, 2021 from 11:30 AM to 12:30 PM PDT

[Add to Calendar](#)

Where

Bakersfield Museum of Art
1930 R Street
Bakersfield, CA



[Driving Directions](#)

Contact

Jenny Holtermann
Water Association of Kern County

jenny@wakc.com



what are we doing for **Water Conservation?**

Tuesday, August 24th 11:30am



Location: Bakersfield Museum of Art **1930 R Street, Bakersfield**

Hear from our local Kern County Water Purveyors on actions they are taking to help conserve water. As well as an update on the WAKC Water Conservation Campaign 'Don't be that Guy KC'

Kevin McCusker, Cal Water
Deryk Gross, Castle & Cooke
Greg Hammett, West Kern Water District

\$20 Members \$25 Non Members

register at www.wakc.com



RUNYAN
APPRAISAL
SERVICE

RAS

YWI Young Wooldridge
LLP

Register Now!



To: Kern Delta Water District Board of Directors

From: Steven Teglia – General Manager

Date: August 17, 2021

Re: Agenda Item VI C. – Water Banking Projects Report

RECOMMENDATION:

Receive report, informational item only.

DISCUSSION:

Below is a summary of activities of note related to various water banking projects/activities of interest to the District.

Kern Fan Recovery Activity:

- As of August 10, 2021, Kern Fan groundwater recovery was approximately 720cfs from 177 wells, as reported via KCWA weekly call.
- See attached graphs provided by KCWA for recovery information through June 30, 2021.

Pioneer Participant Meeting:

- The Pioneer Project Participant Meeting of August 12, 2021 was canceled.

Kern Fan Monitoring Committee:

- The Kern Fan Monitoring Committee Meeting of July 14, 2021.
- Chair: Dave Beard; Vice-Chair: Jon Parker.
- Discussion regarding review of cost % split between projects/agencies to take place.
- Next meeting scheduled for September 15, 2021.

KDWD Water Banking Project:

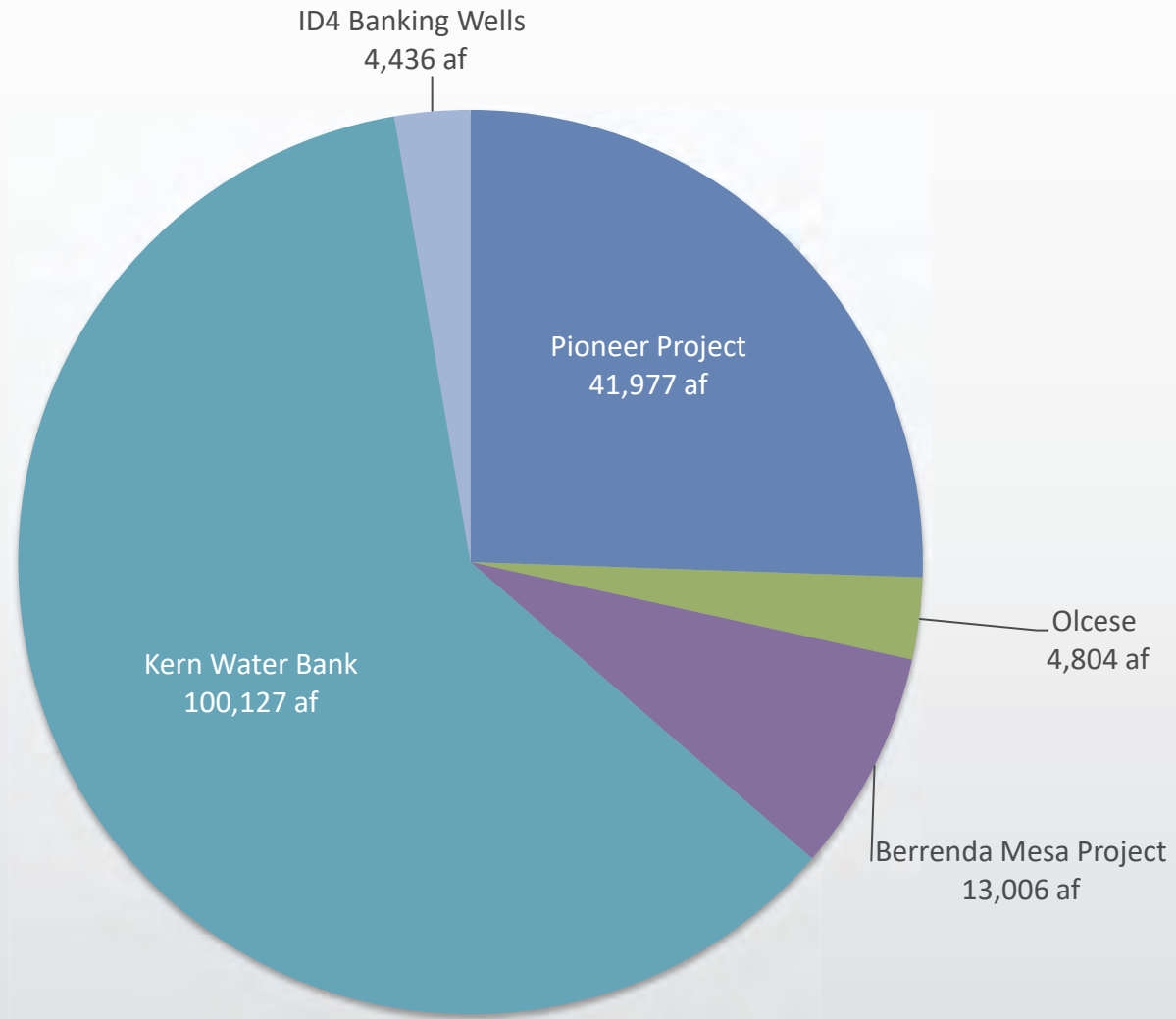
- MET has provided the District with an official request for the return of regulated water for calendar year 2021. The District has developed and implemented a plan to return just over 40,000af of return water to MET by December 31, 2021.
- Reduced Kern River flow has impacted the original plan for returned water to MET. Return water will likely be closer to 28,000af.
- SBVMWD has withdrawn their request for return water in 2021.

Cross Valley Canal Advisory Committee:

- The CVC Advisory Committee meeting of July 21, 2021 was canceled.
- Future CVC operations workshop with KCWA staff.
- See attached graphs provided by KCWA regarding CVC utilization.

**Kern Fan Banking Projects
2021 Estimated Gross Recovery by Project
Through June 30, 2021**

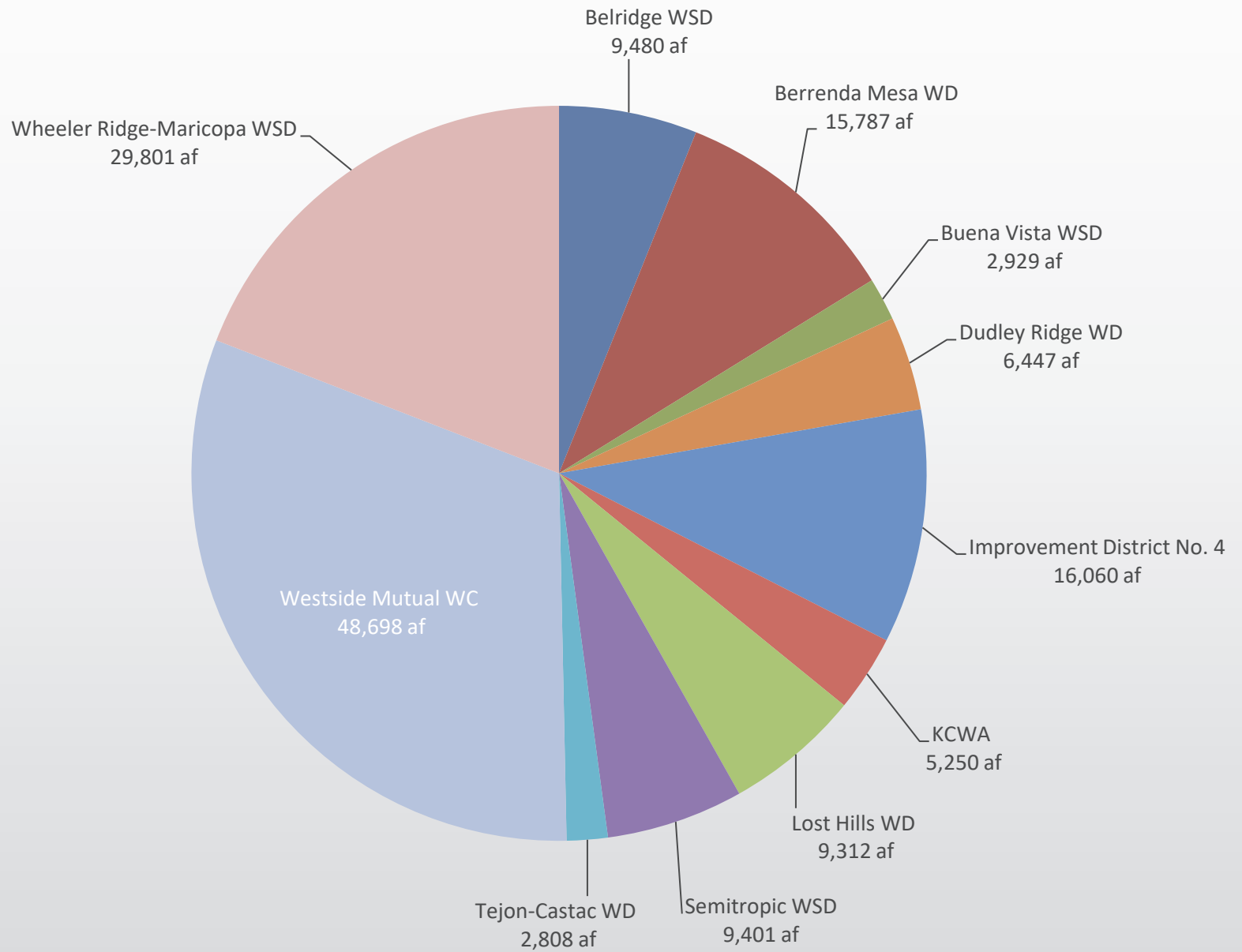
Attachment 1



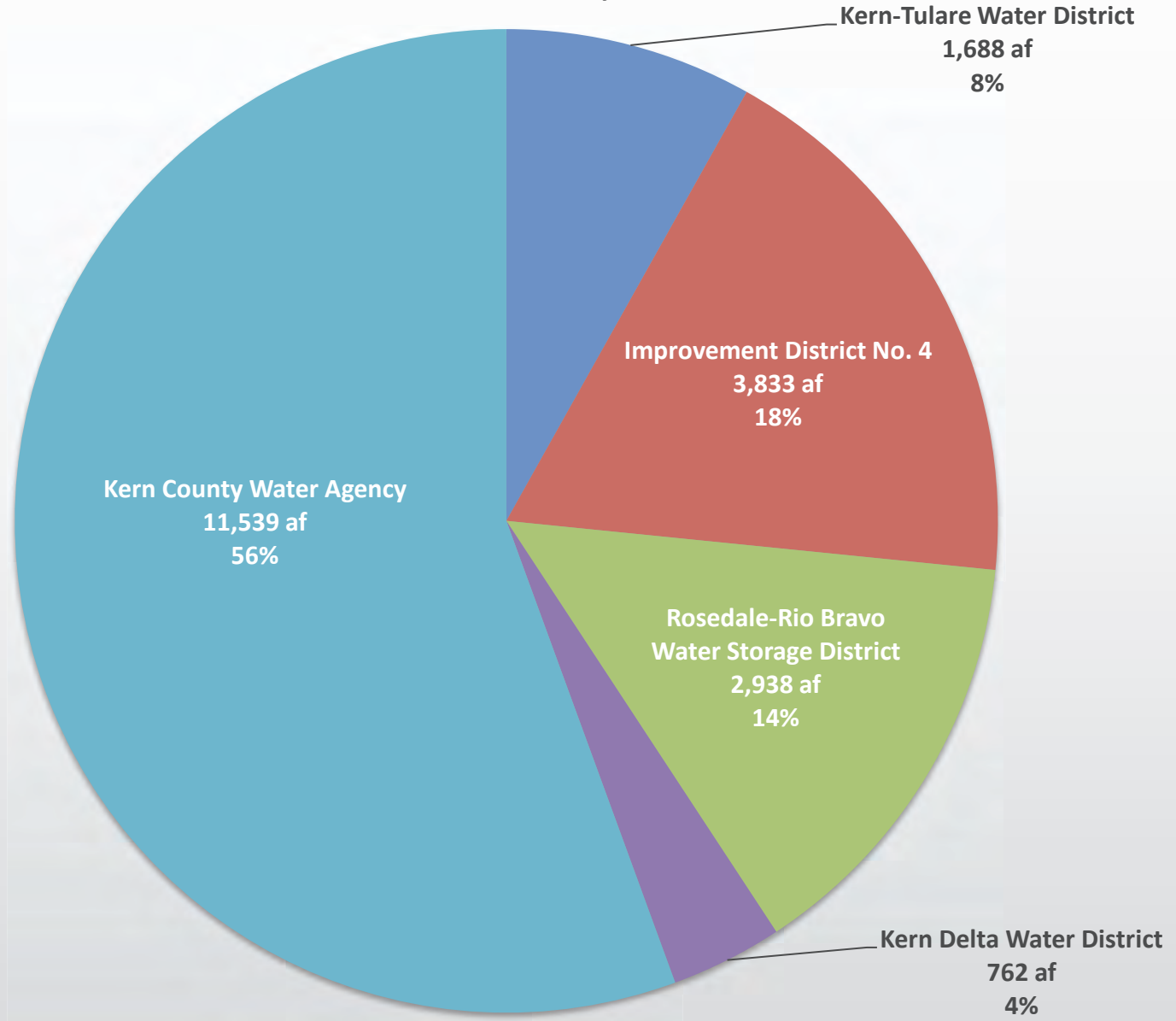
Total Gross Recovery 164,350 af

**Kern Fan Banking Projects
2021 Estimated Recovery by Participant
Through June 30, 2021**

Attachment 2



**Cross Valley Canal
June 2021 Deliveries
Total deliveries 20,760 af**



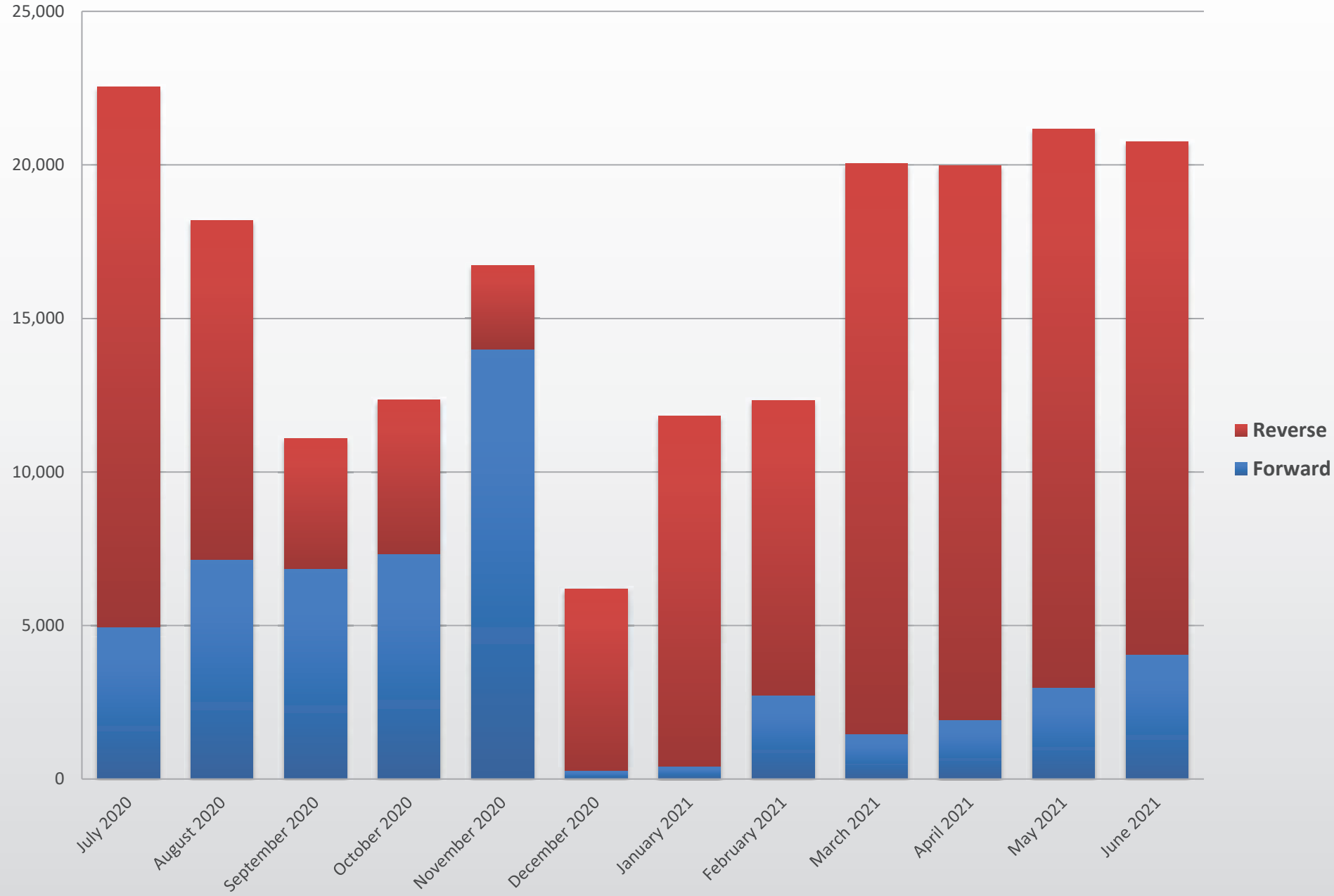
**Cross Valley Canal
Deliveries by Direction and Source
2021**

Deliveries are shown in acre feet

	Deliveries by Direction			Deliveries by Source				
	Forward Flow	Reverse Flow	Total	State Water Project	Central Valley Project	Kern River	Recovered Groundwater	Total
January	427	11,390	11,817	-	-	-	11,817	11,817
February	2,723	9,610	12,333	-	-	-	12,333	12,333
March	1,462	18,585	20,047	-	-	-	20,047	20,047
April	1,926	18,049	19,975	-	-	-	19,975	19,975
May	2,985	18,193	21,178	-	-	-	21,178	21,178
June	4,070	16,690	20,760	-	-	-	20,760	20,760
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
Total	13,593	92,517	106,110	-	-	-	106,110	106,110

Cross Valley Canal

Twelve Month Delivery by Direction



Cross Valley Canal

Twelve Month Delivery by Source

